



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**



## **RESPONSE TO REQUEST FOR PROPOSAL FOR DELAWARE COLLEGE INVESTMENT PLAN PROGRAM MANAGER AND ADMINISTRATION SERVICES ISSUED BY THE OFFICE OF THE STATE TREASURER**

Contract Number:  
TRE-CPM-20102- College Investment Plan Program Manager  
and Administration Services

January 22, 2021

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DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

# Tab A

## Transmittal Letter



**Christopher S. Lynch**  
President  
TIAA-CREF Tuition Financing, Inc.  
**T** 704 988 6610  
**M** 704 807 8107  
clynch@tiaa.org

January 22, 2021

Mr. John Meyer  
Director of Contributions and Plan Management  
820 Silver Lake Boulevard, Suite 100  
Dover, DE 19904

Dear Mr. Meyer:

It is our pleasure to submit the attached response to the Request for Proposal for Delaware College Investment Plan Program Manager and Administration Services.

It has been our privilege to provide program management and investment management services for 529 college savings plans since 1998. Our shared goal with the States with whom we work has been to make higher education more accessible to all families within their communities, and it would be our honor to partner with the Office of the State Treasurer to deliver an innovative, high quality, low cost 529 program accessible to all Delawareans.

TIAA-CREF Tuition Financing, Inc. (TFI) brings our unique strengths to a partnership with the State with our state-centered approach, tailored to DE529's program design, marketing, website, operations and customer service, which will serve the State of Delaware's specific needs and preferences.

The following distinctions highlight some of the benefits we offer:

- **Values Alignment** – TIAA was founded in 1918 with a mission to serve those who serve others – a commitment that remains in practice today;
- **529 Leader** – One of the first firms to enter the 529 plan market, we remain a respected leader in the 529 plan space with key personnel averaging over 15 years' experience serving the education savings needs of families;
- **Low-Cost Champion** – Pride in our ability to differentiate our well-designed, high-quality, low-cost 529 plans;
- **Investment Management Expertise** – Selection of high quality, affordable investment options featuring a best-in-class progressive glide path structure;
- **Industry Recognition** – Six of the seven 529 college plans we manage enjoy a Morningstar medal rating, including one gold, two silvers, and three bronze;



- **Recordkeeping Designed Specifically for 529 Plans** – TFI-managed plans utilize the largest recordkeeping platform in the 529 industry, the Ascensus College Savings Recordkeeping Services, LLC Unite® platform, allowing our state partners to benefit from a robust, proven recordkeeping platform along with TFI's superior investment and marketing services;
- **Strategic Marketer** – Proven ability to develop and execute an effective marketing plan through subject matter expertise and data-informed decision-making;
- **Innovative Thinker and Supportive Partner** – Promoter of web technologies and other value-add services to address top State priorities and initiatives; and most importantly,
- **Delaware-minded** – We have demonstrated success in our partnership with states to support state-centric priorities and initiatives.

We would value the opportunity to work with the State of Delaware to develop DE529 into a standout 529 plan program that would appeal to all families across the State and region, helping them achieve their higher education dreams. The entire TFI education savings team stands ready to assist the State in reimagining DE529. We have the operational and communications expertise required to execute a smooth transition and set the right course for accelerated growth of DE529.

As the State moves forward, you may contact me as principal contact for oversight of this engagement and I am available to meet, as needed, with Staff and the Board. We welcome any questions.

Christopher Lynch | President | TFI  
TIAA | 8500 Andrew Carnegie Boulevard, Charlotte, NC, 28207  
704-988-6610 (office) | 704-988-6712 (fax) | CLynch@tiaa.org

We thank you for your consideration of our proposal and look forward to discussing the role TFI can play in the next phase of DE529.

Sincerely,



Christopher S. Lynch  
President

## PROPOSAL EXECUTIVE SUMMARY

TFI is excited to collaborate with the State of Delaware to grow DE529. Our proposal envisions a brand new start for Delaware's College Savings Program with a goal to improve key program elements, accelerate growth and keep the focus on Delaware families:

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*\*End Confidential\**



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

Tab B

# **Attachment 1: Vendor Questionnaire**



## Attachment 1: Vendor Questionnaire

CONTRACT NUMBER: TRE-CPM-20102

### Relevant Experience

- Provide a history of your organization as it pertains to defined benefit, defined contribution, and college investment plans. Provide a matrix showing revenues, assets under management, and participant count for each line of business.

#### **TIAA-CREF Tuition Financing, Inc. (TFI)**

TFI will be the entity responsible for delivering program management services for the Delaware College Savings Plan. TFI is a wholly-owned subsidiary of TIAA and dedicated to providing program management services to qualified tuition programs formed under Section 529 of the Internal Revenue Code. Since 1998, TFI has been a leader in managing customized, state-centric 529 programs, providing low-cost, high-value, program management services for direct-sold and advisor-sold 529 programs. The program management services we provide are comprehensive in nature. Our team of experts works to ensure your objectives are being met in all areas of program management including strategy development, investment selection, customer experience, and marketing.

TFI pursues a long-established mission to help families save for higher education. Over the years, TFI-managed award-winning state programs have experienced industry-leading growth, seen program fee reductions and benefited from new investments in marketing, technology and service, making it easier for account owners to save for education. We value our long-standing state relationships and take pride in the depth of our partnerships that have occurred over many years, and we welcome new state relationships to align with our mission.

We currently contract with seven states to service over 1.3 million families, helping them save more than \$34.1 billion in assets as of 12/31/2020. TFI professionals operate out of multiple TIAA locations, with the majority of our team based out of TIAA offices in Charlotte, NC, New York, NY and Boston, MA.

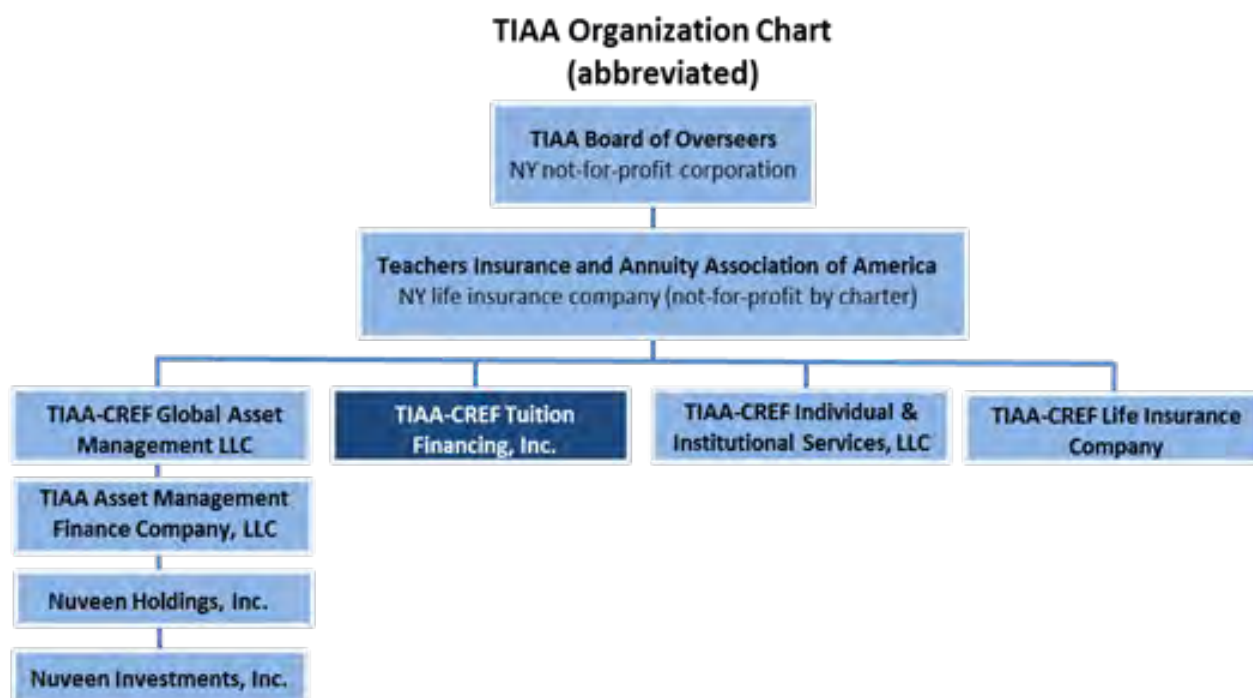
#### **TIAA**

TIAA was founded more than 100 years ago by one of history's great philanthropists Andrew Carnegie with the mission of supporting those who serve others. Since that time, TIAA has grown into a diversified Fortune 100 financial services organization managing over \$1 trillion in retirement and education savings for more than 5 million clients as of 12/31/2020. TIAA stays grounded in our core values with a commitment to responsible investing and firm dedication to being a force for good, building on our legacy of serving the broad financial needs of those who make a difference in the world. TIAA's strength and stability in the marketplace and long-

standing tradition of service to higher education are qualities that will align with the interests of the State and its residents.

As a New York life insurance company, TIAA issues annuities to non-profit and governmental entities and their employees, and is required by charter to operate on a non-profit basis. The Board of Overseers owns all of the stock of TIAA, elects the TIAA Board of Trustees, and participates in the selection of the CEO, among other responsibilities. The TIAA Board of Trustees oversees the management of TIAA, and includes TIAA's CEO and President, Roger Ferguson.

TIAA is organized as a not-for-profit corporation under the laws of the State of New York. Our global headquarters are located at 730 Third Avenue in New York City, New York. TIAA has approximately 16,700 employees worldwide.



TIAA's Audited Statutory—Basis Financial Statements, as of December 31, 2019 and 2018 and for the 3 years ended December 31, 2019, can be viewed here:

[https://www.tiaa.org/public/pdf/Life\\_Audited\\_Statutory\\_Basis\\_Financial\\_Statement\\_2019.pdf](https://www.tiaa.org/public/pdf/Life_Audited_Statutory_Basis_Financial_Statement_2019.pdf)

- For non-incumbents, describe your transition experience, provide a sample transition plan, and identify your transition team members for this engagement. Specifically identify every defined benefit, defined contribution and college investment plan transitioned in the last five years.

In the past ten years, TFI has successfully managed the inbound conversion of three 529 plans from other Program Managers onto our platform:

- California's ScholarShare College Savings Plan with \$3.9 billion at time of conversion in 2011 from Fidelity
- Wisconsin's Edvest College Savings Plan with \$1.6 billion at time of conversion in 2012 from Wells Fargo
- Michigan Advisor 529 plan with \$600 million at time of conversion in 2017 from Allianz

Further to the above noted inbound conversions, TFI has also successfully managed large scale internal plan transitions. In 2019, TFI selected a new record keeper as the basis of our 529 plan administrative platform. Over several weekends in 2019 and 2020, we successfully executed the record keeping platform transitions of seven of our 529 plans—moving plan accounts and assets to Ascensus from our prior record keeper SS&C. We transitioned all plan accounts, investments and histories for the below listed plans—representing in total more than 1.1 million accounts and over \$22 billion in plan assets—seamlessly, with minimal disruption to service or impact to account owners:

- Minnesota College Savings Plan, October 2019
- California ScholarShare 529, January 2020
- Wisconsin Edvest College Savings Plan, March 2020
- Oklahoma College Savings Plan, May 2020
- Georgia Path2College 529 Plan, May 2020
- Michigan Education Savings Plan, June 2020
- Michigan Advisor Plan, June 2020

Given TFI's experience successfully transitioning 529 plans, we anticipate an unequivocally smooth conversion for the State of Delaware, with minimal disruption to DE529 account owners. TFI utilizes project management tools and service delivery models that incorporate best practices in communications, measurability and control. We work towards detailed project roadmaps, coordinating activities and communications, and ensuring that tasks and activities critical to the success of a plan transition are identified, completed and tracked.

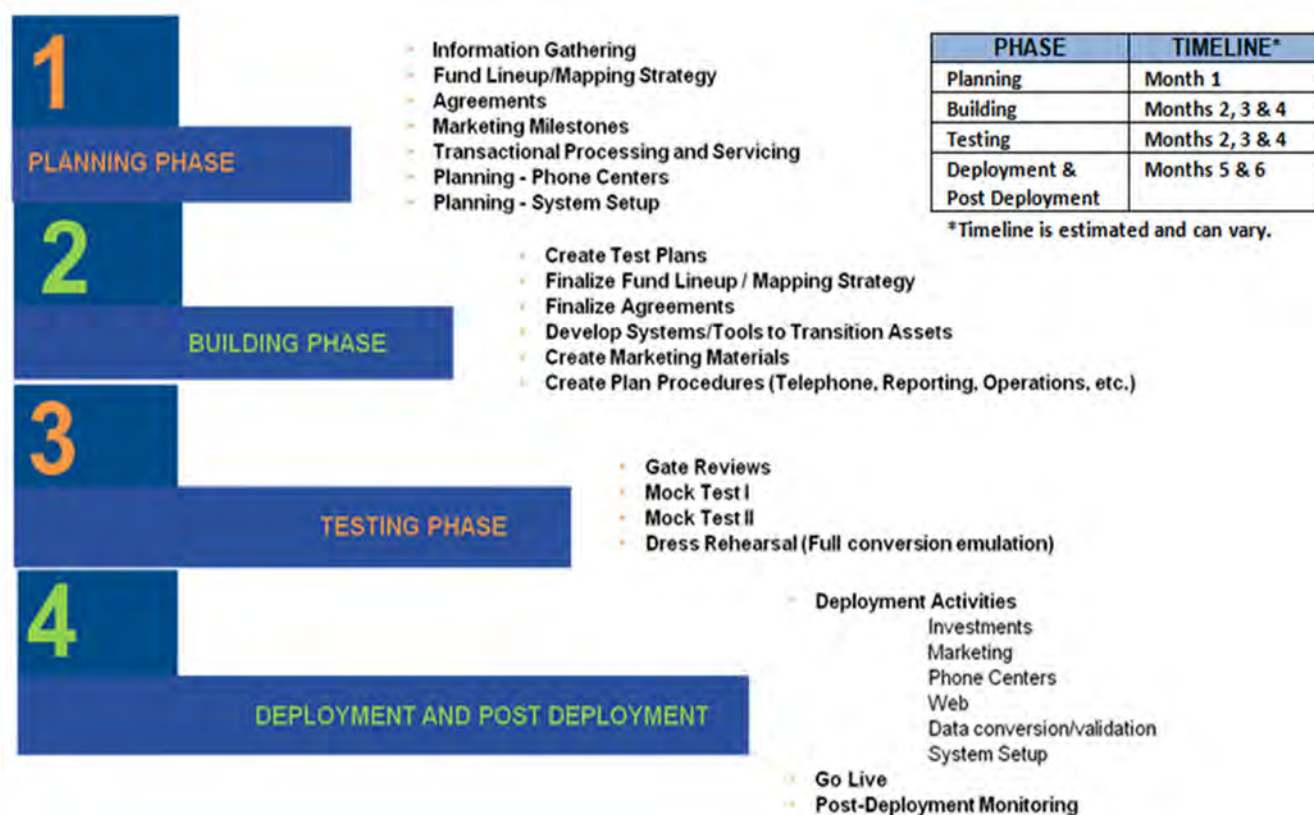
Plan transitions are scheduled over a weekend in order to minimize out-of-market conditions and prevent any external processes from impacting transition activities. Final conversion activities would begin on a Friday and continue through the weekend with a goal of providing a continually invested and uninterrupted service experience to DE529 account owners, with TFI turning on its plan management service of DE529 effective early Monday morning Eastern Time.

Our DE529 transition will be managed by senior executives from TFI supported by an experienced project management team. Our transition implementation plan ensures that the enhancements we

are bringing to DE529 account owners is communicated effectively and efficiently through extensive training in our Call Centers and Operations area along with robust communications to account owners via e-mail, direct mail and a robust standalone DE529 website.

TFI's DE529 conversion team will include TFI personnel from our Operations, Marketing, Investment Services, Relationship Management teams, as well as TIAA personnel from our Asset Management, Compliance and Law groups.

Following a detailed timetable for communicating transition activities and information with existing Plan account owners is a key part of TFI's implementation plan. TFI will work closely with the outgoing Program Manager and the State to customize an implementation plan to ensure that Account Owner assets remain informed and continuously invested during the conversion process.





- Provide an organizational chart showing all key personnel who will be responsible for all aspects of the Program.

## TFI Leadership

TIAA | RETAIL FINANCIAL SERVICES | TIAA-CREF TUITION FINANCING, INC.



- Name the key individuals who would be responsible for providing services for the Program. Provide a brief resume including background and experience information on each individual, emphasizing specific experience with college savings programs. In the event of a departure of a key individual from your Company that would be directly associated with the Program, address back-up procedures and steps to ensure continuity of servicing the Program.

Key Personnel			
Role	Name & Title	Responsibilities	TIAA / 529 Industry Years of Service
Executive	<b>Christopher Lynch</b>	Oversees all aspects of TFI management and operations.	30 / 14 Years
Investments	<b>Jeremy Thiessen</b> Head of Investment Strategy	Investment management and monitoring for all TFI-managed programs. Leads 4-person team of education savings investment professionals. Member of Nuveen Solutions Investment Committee.	7 / 14 Years
Relationship Management	<b>Vivian Tsai</b> Head of Relationship Management	Responsible for oversight of TFI state client relationships.	7 / 14 Years
Marketing	<b>Lois Welsh</b> Head of Marketing	Oversight of state marketing strategy and marketing compliance.	6 / 17 Years
Operations, Recordkeeping & Customer Service	<b>Bernard McCrossan</b> Head of Operations	Responsible for operations, business and analytics, and risk management. Chief liaison with subcontractors.	8 / 25 Years
Relationship Manager	<b>Kerry Alexander</b> Senior Director	Primary point of contact for the State for overall program management.	20 / 20 years
Marketing Manager	<b>Jennifer Burke</b> Senior Manager	Responsible to drive and execute marketing plan for DE529	9 / 9 years
Supplemental Program Lead	<b>Linda English</b> Senior Director	Subject matter expert and is responsible for consulting with the State on the creation and implementation of supplement programs such as matching grant and CSAs.	4 / 25 years
Field Consultant	<b>To Be Hired</b>	Delaware-based, FINRA registered representative responsible for focused attention and broad support for local community, employer, and financial influencer outreach within the state.	TBD
Additional TIAA Resources Providing Service to DE529			
TIAA Compliance	<b>Sean Flynn</b> Chief Compliance Officer	TIAA oversight and responsibility for compliance and regulatory adherence.	6 / 4 Years
TIAA Law	<b>Lisa Mondschein</b> Legal Counsel	TIAA responsibility for contracts, disclosure and legal requirements.	7 / 3 Years

Key personnel for this agreement include:

### Christopher Lynch, President

As the President of TIAA-CREF Tuition Financing, Inc. (TFI), Chris is responsible for all aspects of TIAA's Education Savings line of business. Previously he led the Relationship Management group within TFI and has served in a number of senior roles within TFI over the past 15 years. Chris has worked at TIAA for 29

years. Chris sits on the Corporate Affiliate board for the National Association of State Treasurers. He is a graduate of Washington and Lee University with a Bachelor of Arts in American History.

He holds FINRA Series 6 and 63 and MSRB Series 50 registrations.

### **Jeremy Thiessen, Head of Investment Strategy**

Jeremy provides investment oversight for each of our state partners' Education Savings portfolios and manages the dedicated TFI Investment Strategies team. This team leads creation and delivery of asset allocation and portfolio design recommendations for each plan and currently oversees more than \$33 billion in 529 plan assets. Jeremy is a voting member of TIAA Nuveen's Asset Allocation and Portfolio Construction committee. Prior to joining TFI, he was a Managing Director for Pension Consulting Alliance where he led the company's 529 College Savings Plan investment consulting practice.

Jeremy earned his MBA with an emphasis in Finance from California State University, Long Beach. He holds MSRB Series 50 registration.

### **Vivian Tsai, Head of Relationship Management**

Vivian leads TFI's Relationship Management and Field Consulting teams and is responsible for state client relationship management, including contractual compliance, ensuring client satisfaction, and driving plan growth and strategy across state plans. Prior to joining TFI in 2014, Vivian spent nine years with BlackRock in institutional product management and sales roles, having led the firm's entry into the advisor-sold 529 plan marketplace, and developed the investment only strategy providing ETF and fund investment management within 529 plans. Vivian began her career in financial services in the wealth management businesses of Morgan Stanley and Merrill Lynch, and has worked in San Francisco, Hong Kong, Taipei, Los Angeles and New York.

Vivian is Chair of the Board of the College Savings Foundation and has been a Certified Investment Management Analyst and a Certified Private Wealth Advisor since 2007.

She received her Bachelor of Science degree in Economics from the Wharton School of the University of Pennsylvania. Vivian holds FINRA Series 7, 66, 24, 31, 51 registrations.

### **Lois Welsh, Head of Marketing**

Lois has been a part of TIAA's Education Savings team since 2015. Lois provides the strategic marketing oversight for Education Savings and leads the team of marketing professionals. She is an advocate of smart, actionable strategies and collaborates with her team to provide innovative, effective, data driven marketing ideas to our State partners. Lois' team drives towards growth through relevant, targeted prospecting, effective account owner communications, digital prioritization and innovation, and channel optimization.

Prior to joining TFI, Lois was Vice President of Retirement and College Solutions at T. Rowe Price. During her 15-year tenure, Lois led the marketing team for T. Rowe Price's direct sold college savings plans and also held the role of Relationship Manager. Lois' 529 experience began in 2001, during which time she

was a key member of the launch team. Leading the 529 marketing team, she drove strategy, research, and program and product development. In addition, Lois managed the Individual Retirement Products group focusing on IRA, rollovers and employer-sold plans. Lois' consumer marketing experience also includes roles at Unilever and First USA.

Lois received her MBA from the University of Virginia's Darden School of Business and her BS from Miami University. She holds FINRA Series 6 and 63 registrations.

### **Bernard McCrossan, Head of Operations**

As Head of Operations for TFI, Bernie is responsible for all operational aspects of TFI's state 529 plans, including record keeping, account servicing, secure web functionality, fund administration/accounting services as well as reporting and pricing activities. He oversees the relationships with TFI's appointed vendors to ensure TFI's state 529 clients receive best-in-class administration and service delivery. Prior to joining TFI, Bernie spent 15 years with State Street Bank & Trust where he was accountable for the overall organizational satisfaction for the company's elite, multi-national, multi-jurisdictional clients. Prior to State Street, Bernie was with Brown Brothers Harriman & Co. and Chase Manhattan Bank.

Bernie received his MBA from Suffolk University and a Bachelor of Arts from St. Anselm College.

He holds FINRA Series 6, 26 and 63 registrations.

In addition to the leadership team, TFI's Team DE529 will feature the following committed professionals.

### **Kerry Alexander, Senior Director, Relationship Manager**

Kerry joined TIAA in 2001 and has worked with college savings plans for over 20 years. During this time, Kerry has been responsible for the 529 program management relationships for six states and currently manages the relationships with the State of Connecticut (CHET Plan) and the State of Oklahoma (Oklahoma College Savings Plan). Additionally, Kerry managed the relationships with the State of Oregon (Oregon College Savings Plan) and State of Wisconsin (Edvest) during the transition of program management services from a previous provider to TFI following award of these contracts at the conclusion of the competitive bid process.

Kerry is a graduate of Oklahoma State University and Georgetown University Law Center. After years practicing law in California, Kerry returned to Oklahoma to manage the successful campaign for State Treasurer Robert Butkin, later serving on his staff as Director of Legislation, Public Policy and Communication, helping to develop and launch Oklahoma's 529 plan. His professional experience also includes serving as an Assistant Attorney General and on the Washington, D.C. staffs of United States Senator David Boren and Congressman Glenn English. Kerry holds FINRA Series 6 and 63 registrations.

Kerry will serve DE529 at the day-to-day contact and be responsible for overall program management.



### **Jennifer Burke, Senior Marketing Manager**

Jennifer has been with TIAA since 2012. With over 25 years of experience in marketing in the B2B and B2C field, Jennifer has been the Senior Marketing Manager dedicated to managing the growth of the Michigan Education Savings Program (MESP) since 2012. Jennifer is responsible for the development and execution of the overall marketing strategy for MESP, balancing budget management with brand efficacy. Jennifer has held several marketing roles including many in the entertainment field. She has a diverse background that includes strategy and forecasting in addition to her marketing expertise.

A graduate of Madonna University in Livonia, MI, Jennifer attended graduate school at the University of Detroit-Mercy and studied theatre and advertising at Oxford University. Jennifer is a FINRA-registered representative, holding Series 6 and 63 licenses.

Jennifer will lead the marketing efforts for DE529.

### **Delaware-Based Field Consultant**

In addition to a Marketing Director and Relationship manager, TFI will hire a Delaware-based, FINRA registered Field Consultant to provide statewide support for DE529. This professional will ensure focused attention and broad support for local community, employer, and financial influencer outreach.

Key responsibilities of the DE529 Field Consultant will include:

- Presenting to schools, organizations, and employers
- Facilitating webinars for employers, community groups, and organizations
- Leveraging TIAA's internal wealth managers, financial consultants, and relationships with institutions in Delaware to identify prospects
- Meeting with individuals and families seeking to learn more about DE529
- Supporting local sponsorships, promotions, and events
- Wholesaling to CPAs and fee-based financial advisors
- Attending conferences and requested speaking engagements
- Providing support to current and future Delaware agencies, organizations and non-profits seeking to establish their own 529 scholarship or children's savings account programs

### **Linda English, Senior Director**

A resource to our Delaware team, Linda is TFI's Subject Matter Expert providing state expertise and support in the growing interest area of Children's Savings Accounts (CSAs). Linda also serves as relationship manager for California ScholarShare 529 and CalABLE. In her role, she manages California's Matching Grant Program and is a valued member of the CalKIDS advisory council which is implementing the country's largest at-birth CSA program.

Prior to joining TFI in 2017, Linda spent over 20 years administering 529 plans in the public sector having served as Senior Deputy State Treasurer of Nevada and as the Executive Director of Alaska's 529

program for the University of Alaska. During her tenure in Nevada, Linda helped design, implement, and manage the Nevada College Kick Start Program which enrolls approximately 35,000 kindergarten children each year and was one of the first statewide, universal children's savings account programs (CSA) in the country. She also enhanced and streamlined Nevada's Silver State Matching Grant Program. Since joining TFI, she has been instrumental in the establishment of TFI's CSA platform. With her experience in both public and private sector service, Linda provides a well-rounded perspective with valuable insights which may assist the State as it considers adding these types of programs. Linda received her BBA from the University of Alaska, Fairbanks, and holds FINRA Series 6 and 63 registrations. TFI has been supporting state-administrated 529 plans for more than 20 years and we have a deep bench of experienced professionals who can be drawn upon in the event of personnel changes. TFI will notify the State of any key personnel replacements.

- Please indicate the year your Company began providing services to state college savings programs, and complete the following table, as applicable, as of June 30, 2020 for each state college savings program for which your Company has served as Program Manager or service provider.

Current State/ Program Name	Management Term	Description	Assets (6/30/2020)	Accounts
Connecticut  Connecticut Higher Education Trust (CHET)	12/17/1999 – Present  20 years	Direct-sold; Investment options primarily invested in index and active mutual funds; TFI provides comprehensive program management services including marketing strategy and distribution, investment design and asset allocation, record-keeping and call center services.	\$3.5 billion	135,277
California  ScholarShare 529	11/7/2011 – Present  9 years	Direct-sold; Investment options primarily invested in index and active mutual funds; TFI provides comprehensive program management services including marketing strategy and distribution, investment design and asset allocation, record-keeping and call center services.	\$10 billion	342,079
California  CalABLE	9/23/2018 – Present  2 years	Direct-sold 529A plan; Investment options invested in index funds with a FDIC-Insured option; TFI provides comprehensive program management services including investment design and asset allocation, record-keeping and call center services.	\$23 million	3,216
Georgia  Path2College 529	1/28/2002 – Present  19 years	Direct-sold; Investment options primarily invested in index and active mutual funds; TFI provides comprehensive program management services including marketing strategy and distribution, investment design and asset allocation, record-keeping and call center services.	\$3.4 billion	185,781
Michigan  Michigan Education Savings Program	10/15/2000 – Present  20 years	Direct-sold; Investment options primarily invested in index mutual funds; TFI provides comprehensive program management services including marketing strategy and distribution, investment design and asset allocation, record-keeping and call center services.	\$6.16 billion	272,516



Michigan Michigan Advisor Program	9/11/2017 – Present  3 years	Advisor-sold; Investment options primarily invested in active and index mutual funds; TFI and TIAA affiliate Nuveen provide comprehensive program management and distribution, including marketing strategy, investment design, record-keeping and call center.	\$764 million	49,686
Oklahoma Oklahoma College Savings Plan	4/4/2002 – Present  18 years	Direct-sold; Investment options primarily invested in index mutual funds; TFI provides comprehensive program management services including marketing strategy and distribution, investment design and asset allocation, record-keeping and call center services.	\$984 million	58,322
Wisconsin Edvest College Savings Plan	10/29/2012 – Present  8 years	Direct-sold; Investment options primarily invested in index and active mutual funds; TFI provides comprehensive program management services including marketing strategy and distribution, investment design and asset allocation, record-keeping and call center services.	\$3.69 billion	192,107

- Please describe your organization's diversity and inclusion program, including goals, priorities, and metrics established for the current and forthcoming calendar year (if applicable) in the table on the following page:

TIAA is proud of our long history of diversity and inclusion that dates back to our founding and which continues to thrive with our diverse and majority-female Board of Trustees, an engaged supplier diversity program, and our commitment to helping underserved communities across the nation. A focus on inclusion and diversity runs deep within the DNA of our company—from inclusion of the first female board member in the 1940s, to the first Black CEO of a Fortune 500 company, Dr. Clifton Wharton, in the 1980s, and to one of today's few Black CEOs in the Fortune 500, TIAA CEO Roger Ferguson.

TIAA's culture of diversity and inclusion is core to our firm's mission and in this recent year, our actively inclusive culture resulted in an immediate enterprise-scale response to the pandemic and calls for racial justice in ways meaningful to our TIAA associates and the communities in which we operate. In late Spring 2020, engaged employees across our organization and through our many employee resource groups participated in a company-wide "Be the Change" initiative with the goal of shining a light on issues of racial injustice and to support communities in need. In June 2020, 1000 TIAA associates participated and promoted a "Race Against Racism," inspired by Race Amity Day, an effort in support of The Innocence Project. In addition, TIAA conducts an annual Summer of Service that is led by our enterprise-wide Corporate Social Responsibility team.

In recognition of our diversity and inclusion efforts, TIAA was recently named “Company of the Year” by HRDIVE. An article regarding the recognition can be found here:

<https://www.hrdive.com/news/company-of-year-tiaa-2020/588765/>

- If the Program Manager manages a state college savings program for another state, how will you differentiate the Program for prospective customers from the other(s) that you manage? Identify any restrictions on your ability to market the Program, locally and nationally. What steps will you take to prevent conflicts with other college investment programs managed by your Company?

TFI provides program management services for seven states for which we have state-specific mandates on distribution: California, Connecticut, Georgia, Michigan, Minnesota, Oklahoma, and Wisconsin. We typically concentrate our plan marketing and distribution efforts within a state or region based upon targeted data-driven marketing outreach, taking into account not only geographic proximity and consumer preferences but also 529 plan tax benefits/non-benefits offered by neighboring states, always factoring in the preferences of our state partners in efforts to move beyond the local state market.

TFI has provided program management services for our state clients since 1998 without conflict. We will work to develop customized marketing and outreach strategies in line with state priorities.

- Does the Program Manager have a retail presence in Delaware? If so, provide the specific locations, and indicate whether there are any plans to expand in Delaware. If not, describe how you currently market college investment programs or other consumer-facing products and services in Delaware.

TIAA maintains an office in Newark, Delaware with four employees within our institutional retirement services business. As a long-established retirement services provider for educational institutions and non-profits, TIAA manages over \$2.5 billion in assets for more than 15,000 Delaware residents. TIAA manages retirement plans for 63 non-profit educational, research and health care institutions in Delaware including:

- University of Delaware, with 7,658 participants and over \$1.9 billion in assets
- Wilmington University, with 1070 participants and over \$93 million in assets
- Tower Hill School, with 461 participants and over \$58 million in assets

TIAA, through its general account and asset management business, has securities investments in Delaware exceeding \$36.1 billion. This includes more than \$340 million in municipal bond investments.

TFI does not currently manage any college investment programs in the State of Delaware.



- Describe your willingness and ability to support, including monetarily, a national campaign to heighten awareness of college investment programs. Will you make Delaware's Program a "national" plan? Will you incorporate Delaware's new branding into your efforts?

TFI recognizes the need to elevate awareness of the benefits of saving early and often in 529 plans with families across the country. Based on the interest of our state clients, TFI has supported and participated in past campaigns such as the one led by the College Savings Plan Network. TFI is open to reviewing and making recommendations during our partnership with the State on the benefits of participation in such programs in the future.

We typically concentrate our plan marketing and distribution efforts within a state or region based upon targeted data-driven marketing outreach, taking into account not only geographic proximity and consumer preferences but also 529 plan tax benefits/non-benefits offered by neighboring states, always factoring in the preferences of our state partners in efforts to move beyond the local state market.

### **Investment Management**

- Please provide the investment options you propose for the Program. Please differentiate between the proposed age-based option(s), static investment multi-fund portfolios, and single fund static options.

With this proposal, we are outlining changes that we feel will benefit DE529 account owners with lower costs and an easier-to-understand set of investment options. Over the years, TFI has refined our investment approach, but we continue to balance choice with simplicity to meet the needs of a wide range of different investors. We believe that focusing on offering a time-tested approach for education savings, which includes a well-managed portfolio lineup featuring low cost underlying investments, is a winning strategy for DE529. Should the State have additional thoughts or requirements regarding the investment portfolios listed below, we welcome the opportunity to explore alternatives with the State.

Portfolio Type	Investment Portfolio
Enrollment Year Investment Portfolios	2038–2039
	2036–2037
	2034–2035
	2032–2033
	2030–2031
	2028–2029
	2026–2027
	2024–2025
	2022–2023
	In School
Multi-Fund Allocation Portfolios	Equity Allocation Portfolio
	Moderate Growth Allocation Portfolio
	Conservative Growth Allocation Portfolio
Single Fund Portfolios	Large Cap U.S. Equity Index Portfolio
	U.S. All Cap Equity Index Portfolio
	International Equity Index Portfolio
	U.S. Core Bond Index Portfolio
	Principal Plus Interest Portfolio
	ESG U.S. Equity Portfolio
	ESG U.S. Core Bond Index Portfolio

- For each investment option listed above, please provide the following information, as applicable, for each underlying investment.

Please see below for information on our proposed investment lineup. For the State’s convenience, a landscape version of this information can also be found in Tab H, Section 4.

DE529 Proposed Investment Lineup	TIAA-CREF Growth & Income Fund I	T. Rowe Price Large Cap Growth Fund I	Principal Equity Income Fund I	TIAA-CREF Equity Index Fund	TIAA-CREF Quant Small Cap Equity Fund I	TIAA-CREF International Equity Index Fund I	TIAA-CREF Emerging Markets Equity Index Fund I	DFA Real Estate Securities Portfolio	TIAA-CREF Core Bond Fund I	TIAA-CREF Inflation Linked Bond Fund	Vanguard High-Yield Corporate Adm	TIAA Life Funding Agreement
Fund Fee	0.41%	0.56%	0.52%	0.05%	0.42%	0.06%	0.20%	0.18%	0.30%	0.26%	0.13%	NA
TICKER	TIGRX	TRLGX	PEIIX	TIEIX	TISEX	TCIEX	TEQLX	DFREX	TIBDX	TIILX	VWEAX	NA
Asset Class	US Fund Large Blend	US Fund Large Growth	US Fund Large Value	US Fund Large Blend	US Fund Small Blend	US Fund Foreign Large Blend	US Fund Diversified Emerging Mkts	US Fund Real Estate	US Fund Intermediate Core-Plus Bond	US Fund Inflation-Protected Bond	US Fund High Yield Bond	NA
Benchmark	S&P 500 TR USD	Russell 1000 Growth TR USD	Russell 1000 Value TR USD	Russell 3000 TR USD	Russell 2000 TR USD	MSCI EAFE NR USD	MSCI EM NR USD	S&P 500 TR USD	BBgBarc US Agg Bond TR USD	BBgBarc US Trsy Infl Note 1-10Y TR USD	BBgBarc US Corporate High Yield TR USD	NA
Enrollment Year Investment Portfolio:												
2038 2039 (0, 1)	19.00%	6.40%	7.60%	14.60%	2.80%	19.20%	4.80%	5.60%	14.00%	4.00%	2.00%	
2036 2037 (2, 3)	19.00%	6.40%	7.60%	14.60%	2.80%	19.20%	4.80%	5.60%	14.00%	4.00%	2.00%	
2034 2035 (4, 5)	18.30%	6.00%	7.20%	13.80%	2.60%	18.20%	4.60%	5.30%	16.80%	4.80%	2.40%	
2032 2033 (6, 7)	17.30%	5.70%	6.80%	13.10%	2.50%	17.30%	4.30%	5.00%	19.60%	5.60%	2.80%	
2030 2031 (8, 9)	16.20%	5.40%	6.40%	12.40%	2.40%	16.30%	4.10%	4.80%	22.40%	6.40%	3.20%	
2028 2029 (10, 11)	14.30%	4.80%	5.70%	10.90%	2.10%	14.40%	3.60%	4.20%	28.00%	8.00%	4.00%	
2026 2027 (12, 13)	11.40%	3.80%	4.50%	8.80%	1.70%	11.50%	2.90%	3.40%	36.40%	10.40%	5.20%	
2024 2025 (14, 15)	8.60%	2.90%	3.40%	6.60%	1.20%	8.60%	2.20%	2.50%	37.80%	10.80%	5.40%	10.00%
2022 2023 (16, 17)	6.00%	2.00%	2.40%	4.50%	0.90%	6.00%	1.50%	1.80%	27.90%	8.00%	4.00%	35.00%
In School (18 +)	3.60%	1.20%	1.40%	2.70%	0.50%	3.60%	0.90%	1.10%	24.50%	7.00%	3.50%	50.00%
Multi-Fund Allocation Portfolios												
Equity Allocation Portfolio	23.70%	8.00%	9.50%	18.30%	3.50%	24.00%	6.00%	7.00%				
Moderate Growth Allocation Portfolio	14.30%	4.80%	5.70%	10.90%	2.10%	14.40%	3.60%	4.20%	28.00%	8.00%	4.00%	
Conservative Growth Allocation Portfolio	4.80%	1.60%	1.90%	3.60%	0.70%	4.80%	1.20%	1.40%	29.80%	8.60%	4.30%	37.30%

DE529 Proposed Investment Lineup, Continued	TIAA-CREF Equity Index Fund	TIAA Life Funding Agreement	TIAA-CREF S&P 500 Index Fund I	Vanguard Developed Markets Index Inst'l	Vanguard Total Bond Market Index Fund Inst'l	TIAA-CREF Social Choice Equity Fund I	Nuveen ESG U.S. Aggregate Bond ETF
Fund Fee	0.05%	NA	0.05%	0.05%	0.04%	0.17%	0.20%
TICKER	TIEIX	NA	TISPX	VTMNX	VBTVX	TISCX	NUBD
Asset Class	US Fund Large Blend	NA	US Fund Large Blend	US Fund Foreign Large Blend	US Fund Intermediate Core Bond	US Fund Large Blend	US Fund Intermediate Core Bond
Benchmark	Russell 3000 TR USD	NA	S&P 500 TR USD	FTSE Dvlp ex US All Cap(US RIC)NR USD	BBgBarc US Agg Float Adj TR USD	Russell 3000 TR USD	BBgBarc MSCI US Agg ESG Select TR USD
Single Fund Portfolios:							
Large Cap Core							
Large Cap U.S. Equity Index Portfolio			100.00%				
U.S. All Cap Equity Index Portfolio	100.00%						
Global / International Equity							
International Equity Index Portfolio				100.00%			
Bond/Short-Term							
U.S. Core Bond Index Portfolio					100.00%		
Principal Plus Interest Portfolio		100.00%					
Environmental, Social, and Governance							
ESG U.S. Equity Portfolio						100.00%	
ESG U.S. Core Bond Index Portfolio							100.00%

The proposed investment recommendation above contains the following enhancements to DE529's existing lineup:

**1. A streamlined offering.**

- a. **Investment portfolios:** Industry research indicates that in the face of too many choices or investment options, many individuals will suffer from analysis paralysis and in the face of having to do too much research to make an investment decision, will typically choose to not make a decision—and therefore not put their investment to work. This is supported by our own experience in 529 plan management, in which we have seen education savers faced with too many options, ultimately unable to decide on their investment option, translating into poor plan enrollment rates. Providing a clear series of solutions on an investment menu will reduce friction—or the hurdle of getting stuck when faced with too many decisions—during the account opening process.
- b. **Underlying funds:** “More” does not necessarily mean “better.” Our proposal provides exposure to primary asset classes in core markets while maintaining diversification to fit the unique needs of saving for an education timeline, without inserting niche funds or asset classes that may not be appropriate.

**2. Best-in-class underlying funds.**

- a. **Open architecture:** Because TFI is focused on creating an industry-leading investment program for DE529, we search the industry, not just a particular fund company, for underlying fund solutions and we are proud to offer several underlying funds from well-known, highly respected fund families. Our multi-manager lineup contains certain advantages, such as differentiated investment strategies and competitive fees.
  - b. **Morningstar medalists:** Our proposed lineup features nine funds that have earned a medal rating from Morningstar. This recognition is a testament to the quality of our investment recommendation and based on our experience is viewed favorably during Morningstar's annual rating process. For more information on how we support States through the Morningstar rating process, please see our response in the “Administration” section.
- 3. Lower cost portfolios.** Utilizing both index and active funds across the program will provide alpha potential in the more inefficient markets, while providing index exposure in other efficient markets using lower cost funds. The table below provides a summary of a reduction in fees paid by DE529 plan account owners—in which the vast majority of current plan account owners are invested in the actively managed portfolios—that would result in this scenario.

Total Program Fees*		
	Arithmetic Average	Asset-Weighted Average
Current Plan	0.42%	0.51%
Recommendation	0.28%	0.26%

\*Includes program management fee and underlying fund expenses. Excludes State Administrative Fees.

4. **Environmental, Social, and Governance (ESG).** To address growing interest in ESG investing, we propose including two new single fund portfolios with an ESG objective to serve individuals who seek socially responsible investments. A U.S. equity and fixed income option will provide these DE529 account owners with efficient and cost-effective exposure to this growing area of investments.
5. **A better solution for a low interest rate environment.** The TIAA Life Funding Agreement is a cash-equivalent, insurance investment that is principal guaranteed and provides an annual minimum guaranteed crediting rate between 1% and 3%. A featured investment option within all of our award-winning plan lineups, with yields near historical lows, this investment option remains an attractive alternative to traditional money market instruments or short-term bonds.
6. **A more balanced set of multi-fund portfolios.** DE529's current multi-fund portfolios include two growth-oriented options, with equity targets of 100% and 70%, respectively, and a third, highly conservative option with 0% equity (and more than half in short-term bonds). We recommend a more balanced approach for spanning the risk spectrum, with equity targets of 100%, 60%, and 20%, respectively. This mirrors asset allocations along the glide path and creates more continuity and consistency across the program.

#### Continuity for Current Account Owners

TFI has a long history of adhering to best practices for investment program continuity. As such, our proposed investment menu design for DE529 includes portfolios that have similar characteristics to the existing portfolios, but contain thoughtful enhancements. Current account owners should feel assured that their portfolio will remain intact, and that their new portfolio will continue to fulfill their objectives if TFI becomes program manager.

The below chart shows how current portfolios in the program will map into the new portfolios that we have designed for DE529.



Current Investment Option	Proposed Investment Option	Beneficiary Age at Time of Conversion
Fidelity Funds 2039 Fidelity Index 2039 Fidelity Blend 2039	Enrollment Portfolio 2038-2039	0-1
Fidelity Funds 2036 Fidelity Index 2036 Fidelity Blend 2036	Enrollment Portfolio 2036-2037	2-3
Fidelity Funds 2033 Fidelity Index 2033 Fidelity Blend 2033	Enrollment Portfolio 2034-2035	4-5
Fidelity Funds 2030 Fidelity Index 2030 Fidelity Blend 2030	Enrollment Portfolio 2032-2033	6-7
Fidelity Funds 2027 Fidelity Index 2027 Fidelity Blend 2027	Enrollment Portfolio 2030-2031	8-9
Fidelity Funds 2024 Fidelity Index 2024 Fidelity Blend 2024	Enrollment Portfolio 2028-2029	10-11
Fidelity Funds 2021 Fidelity Index 2021 Fidelity Blend 2021	Enrollment Portfolio 2026-2027	12-13
Fidelity Funds College Fidelity Index College Fidelity Blend College	Enrollment Portfolio 2024-2025	14-15
Fidelity Funds Aggressive Growth Fidelity Index Aggressive Growth	Enrollment Portfolio 2022-2023	16-17
Fidelity Funds Moderate Growth Fidelity Index Moderate Growth	In School	18+
Fidelity Funds Conservative Fidelity Index Conservative		
Intermediate Treasury Index	Equity Allocation Portfolio	N/A
International Index	Moderate Growth Allocation Portfolio	N/A
Fidelity 500 Index	Conservative Growth Allocation Portfolio	N/A
Total Market Index	U.S. Core Bond Index Portfolio	N/A
Money Market	International Equity Index Portfolio	N/A
Bank Deposit Portfolio	Large Cap U.S. Equity Index Portfolio	N/A
	U.S. All Cap Equity Index Portfolio	N/A
	Principal Plus Interest Portfolio	N/A
	ESG U.S. Equity Portfolio *New Option*	N/A
	ESG U.S. Core Bond Index Portfolio *New Option*	N/A

- Describe your manager/fund selection process for the underlying funds of the age-based and risk-based portfolios. Do you have a separate team dedicated to manager research? If not, who is responsible for investment manager/fund selection? Please also describe your flexibility around replacing underlying investments when there is an interest from the Board to remove a fund, particularly if it is a proprietary fund.

TFI's dedicated education savings investment team has an average of 15 years of experience managing 529 investments, and an average of over 20 years in the investment industry. These individuals are not part of a larger defined contribution or retirement investments department, but instead focus exclusively on designing portfolios for education savers within 529 plans and who follow the news, issues, and other factors related to college saving with the following missions:

- A **single focus** on the development, monitoring, and enhancement of the investment menus and outcomes for our State partners
- Our dedicated **attention** is not divided by other client types within the larger firm
- Prioritizing **innovation**, utilizing institutional and industry knowledge, with an eye on enhancing outcomes for plan account owners

Utilizing internal resources, as well as resources from the broader TIAA complex, this team runs all aspects of asset allocation and the overall investment framework for TFI, including investment manager/fund selection.

TFI's fund selection method involves using the Morningstar Direct system to identify a target fund category and conducting a search with specified parameters. Morningstar's database encompasses a broad range of eligible funds across multiple asset classes, which makes it well-suited for our investment process.

At its core, TFI's due diligence process is multifaceted and incorporates a number of criteria for evaluating investment managers, performance, investment processes, firms, and risk mitigation practices.

When evaluating a potential investment, we will focus on managers who:

- Are honest, ethical and who demonstrate above industry norm behaviors
- Have many years of investment and industry experience
- Have experience in various market cycles, sectors and regions
- Have low cash levels and stay close to fully invested
- Have a demonstrated record and philosophy of risk awareness
- Maintain global as well as domestic perspectives
- Pay attention to not only securities' fundamental evaluation but also market sentiment and benchmark performance
- Utilize both fundamental and quantitative evaluation methodologies
- Have no top heavy or overly concentrated bets in their top ten holdings
- Keep turnover in line with expectations for their investment style/category
- Keep expenses low

Funds may not satisfy all these criteria, but this list creates the general profile of an attractive investment. The qualifiers will generally include:

- Funds' and Managers' Track records and organizational structure
- Three years minimum track record in current role or cumulatively including other positions
- Five years or more preferred
- Prefer managers with over 10 years of experience as portfolio managers
- Prefer teams with analysts who have more than 10 years of investment experience
- Prefer low turnover in teams and firms
- Prefer firms that are strong in both asset management and distribution
- Assets under management for actively managed funds at time of selection
  - Aim for \$500 million to \$1 billion minimum, depending on fund category
  - Seek funds that have been able to gain assets at a steady pace, considering the market environments
  - Avoid funds that have been losing assets due to team or performance issues
- Availability and Fees
  - Open to new investors and have no capacity constraints in the near term
  - Aim for a net expense ratio rank below 50%; among peers, prefer below 30%
  - Available to 529 plans
- Performance
  - Aim for absolute 3- and 5-year performance better than peer average
  - Aim for risk-adjusted 3- and 5-year performance better than peer average (prefer top quartile)
  - Aim for relative 3- and 5-year performance better than category benchmark

- Style and size consistency
  - Generally better than peer average
- For asset allocation funds, we prefer managers who can be opportunistic without creating large tracking error or demonstrate consistent risk adjusted returns relative to their benchmark
- Scrutinize fund management
  - Philosophy
  - Process
  - Investment risk management
- Firm due diligence
  - Firm stability
  - Firm product competency
  - Trading practice and efficiency
  - Legal, compliance and operations
- Operational Risk Mitigation
  - Clearly defined and documented standard operating procedures
  - Sound policies with regard to risk governance
  - Procedures for risk identification, measurement, and adjustment
  - High quality enterprise risk management system
  - Emphasis on transparency and accountability
  - Work environments that support strategy implementation and minimize errors
  - Capable, well-developed, and regularly tested technology infrastructure
  - Minimal reliance on “one-off” procedures
  - Business continuity/disaster recovery plans and processes

We review these fund and firm characteristics as part of TFI’s due diligence process and we continue to monitor and reevaluate these as a matter of regular due diligence. To further support the fund selection and due diligence process, we review financial market research from various internal sources, investment publications, and third party vendors such as Morningstar. Each of the underlying funds submits responses to a quarterly questionnaire that contain helpful discussions of performance attribution and a general outlook from portfolio managers. TFI maintains points of contact and relationships with each fund family, thus improving accessibility and flow of relevant information. Accordingly, TFI conducts in-person meetings to hear directly from individuals working with the portfolio for a thorough review of the investment philosophy, process, and strategy positioning, as well as any updates on firm announcements, leadership changes, or organization restructuring that may affect the fund. Depending on how a particular fund fits into a program, TFI may also conduct additional independent performance or style analysis to verify suitability within a portfolio context.

In addition to all of the above, we perform ongoing due diligence by keeping a watch list of all funds by asset class. TFI's process for creating a watch list involves the use of quantitative, performance-based criteria. All underlying funds, whether they are proprietary or non-proprietary, are monitored the same way on a monthly basis. We begin by evaluating performance relative to benchmark based on rolling 1-, 3-, and 5-year periods, and classifying their performance as "Positive," "Acceptable," "Caution," or "Watch." These labels are determined by how far above or below each benchmark the fund performs over these periods, according to specified criteria that are relevant for each asset class. The 1-, 3-, and 5-year classifications are blended to form an overall rating for each fund, which helps form an initial perspective on fund performance. A "Caution" rating for all three rolling time periods results in putting a fund on our watch list.

We will notify the State if an underlying fund meets criteria for a "watch" classification. Aside from investment returns, qualitative factors, such as investment company stability and manager tenure, will help form our opinion and contextualize fund results to help clarify whether further action is warranted.

**Because we are committed to providing the State of Delaware with a first-class investment program, we remain flexible around replacing underlying investments.** This speaks to our belief in a truly collaborative approach between the State and Program Manager. If the State has specific ideas or preferences for asset allocation, we welcome them and look forward to discussing your thoughts. In rare circumstances, certain fund changes may require TFI to reconsider plan pricing, but we believe that this integrated, cohesive process around the investment program builds great relationships and standout programs, which ultimately benefits plan account owners.

- Describe your risk management oversight and the integration of risk management across your organization. Detail the reporting chain for the risk team when issues are identified. Describe the role of senior management in risk management and the establishment of formal risk limits for the portfolios being offered.

Our Risk & Compliance (R&C) division is an independent function headed by the Executive Vice President and Enterprise Chief Legal, Risk & Compliance Officer, who reports to the President and CEO of TIAA. The R&C team works together to achieve key strategic goals, protect our assets, and manage risk within our risk appetite, while maintaining our regulatory compliance with all associated oversight bodies. The R&C organization provides integrated oversight by establishing and applying the Company's R&C Framework, which consists of three main elements: 1) Risk Governance; 2) Corporate Values and Incentives; and 3) Risk Management Processes.

The overall goal of TIAA's R&C Framework is to support the organization in identifying, assessing, monitoring, reporting, and responding to key risks affecting the organization's strategic objectives, business model and brand. TIAA's R&C Framework employs a Three Lines of Defense structure, which represents a coordinated effort to help ensure robust risk management across the



organization. The three categories of stakeholders are Risk Owners (first line of defense), Standard Setters & Overseers (second line of defense), and Assurance Providers (third line of defense).

The TIAA Board of Trustees (Board) oversees the management of risk to safeguard the mission and financial condition of the Company. The TIAA Risk and Compliance Committee (RCC) of the TIAA Board is dedicated to overseeing risk and compliance matters and assists in fulfilling Board oversight. TIAA has also established various internal committees focused on the oversight of TIAA's risk profile and other more specific risk management activities. TIAA assesses its risk profile on a quarterly basis, both quantitatively and qualitatively, and identifies and reviews emerging risks.

In terms of the risk limits established for the plan, investment portfolios were created to be distinctively different from one another and generally have risk defined by their allocation to equity assets. For example, the Conservative Growth Allocation Portfolio, Moderate Growth Allocation Portfolio, and Equity Allocation Portfolio have 20%, 60%, and 100% allocations to equity, respectively, and only deviate from these equity targets on a temporary basis, due to market movement. If fund allocations are persistently more than +/-3% from their target weight, we rebalance to bring them back within the 3% threshold to maintain a similar risk profile and prevent risk drift. This is communicated to the State on an ongoing basis.

- Would your proposed investment lineup include either a stepped or progressive glide path design? Outline the typical portfolio allocation process; how often are allocations revisited in the strategic glide path? Would your proposed glide path solution include tactical asset allocation?

Our proposed investment lineup includes a single progressive glide path with two-year cohorts (account owner accounts are grouped into portfolios that cover two school enrollment years). This improves upon the current three-year cohort Age-Based option because a two-year cohort offers portfolio customization for more tailored outcomes for account owners and beneficiaries.

#### **GLIDE PATH ASSET ALLOCATION PROCESS**

The portfolio allocation process begins when the TFI Investments team updates our proprietary model with historical financial data, consensus forecasts on economic variables, and capital market assumptions. The model, which is updated annually to reflect changes in the financial markets and capital market assumptions, uses these data inputs containing returns and volatilities of various asset classes and sub-asset classes to create thousands of different simulations, or "what if" cases, for achieving tuition savings goals over many possible scenarios. The simulation process generates an expected outcome for each unique period in the investment horizon (21 years of saving means 21 distinct sub-time horizons and 21 sets of results along the glide path). It also takes into account different combinations of asset classes, as well as the distribution of potential results above and below this central value, which allows us to assess the potential shortfall risks of various allocations. After in depth analysis of these scenarios and reviewing the results of the simulations, TFI proposes a balanced solution based on best judgment with respect to risk tolerances, priorities and

restrictions if applicable. For example, TFI would choose the scenario that maximizes the likelihood of outpacing tuition inflation among the scenarios with the highest returns, while still satisfying several overriding constraints such as achieving a high probability of preserving principal and achieving a high probability of having a set percentage of future tuition funded. In addition, asset allocations that minimize annualized tuition shortfall (the amount by which the simulated investment returns fail to keep pace with tuition price inflation) are preferred.

After deciding on asset allocation percentages to the broad asset classes, the allocations to each sub-asset class within the broad equity, fixed income and short-term cash equivalent asset classes are determined. TFI generally divides the equity asset class allocation into funds that primarily invest in U.S. equities and international equities. In the fixed income asset class, we include a diverse set of fixed income funds including core bond and inflation-linked bond strategies. We use the mean (expected return), variance (risk or volatility) and asset class correlations to determine the portfolio mix within each broad asset class. Scenario analysis is also performed to test how the risk and return profiles under various asset allocations react to changes in forecasts of expected returns, volatilities and correlations in different economic scenarios. We focus on the asset allocations that appear optimal in the most scenarios. After careful consideration, a portfolio mix is selected for recommendation from these optimal asset allocations.

At a high level, the final result is that higher asset allocations are made to investments in traditionally riskier asset classes (such as U.S. and non-U.S. equities) while the beneficiary is still young with a longer time horizon until matriculation. The asset allocations to generally less risky and more conservative investments occur automatically over time as the beneficiary ages.

One last item to highlight is that the TFI Investments team performs a separate regression analysis to forecast tuition inflation that assists the above process. This is a time-tested focus on calculating an industry-specific benchmark for evaluating investment returns. This level of support provides a solutions-based context that aids portfolio analysis and decision-making and further exemplifies TFI's commitment to 529 investing.

Strategic asset allocations are reviewed at least annually when we present a customized investment recommendation to the State. The proposed glide path solution intentionally excludes tactical asset allocation because we feel there is more value in getting the asset classes right than knowing *when* to get them right. This speaks to our view of 529 accounts as long-term savings vehicles as opposed to a tool for market timing.

In a recent write-up, while acknowledging that certain market environments can make it particularly difficult for active management, Morningstar agrees with our general belief and states that "Our research has found...that tactical funds generally have failed to deliver better risk-adjusted returns,

or downside protection, than do traditional balanced index portfolios.”<sup>1</sup> TFI has a long and successful history of providing effective strategic solutions for 529 investing and we look forward to providing these to DE529 account owners.

### **BENEFITS OF TFI’S PROGRESSIVE GLIDE PATH STRUCTURE**

Our progressive glide path for the Enrollment Year Investment Portfolios is constructed to follow a risk-controlled process for managing asset allocations and has the following benefits:

- **Smooth transitions.** The proposed enrollment date glide path exemplifies our industry-leading approach to portfolio construction. By rebalancing portfolio assets frequently and in small sized increments over time, account owners maintain an aggressive investment profile optimizing capital growth, while still appropriately derisking when it is needed for capital preservation. This prudent approach adds another element of risk mitigation that may improve investor results during periods of extreme market events. Progressive glide paths like this are considered a best practice in the industry and are supported by many plan consultants and third parties, such as Morningstar.
- **Flexibility in Glide Path Shape.** This allows additional flexibility in the glide path, which may be beneficial for adjusting the shape of the glide path in future scenarios. For example, if we should conclude that a specific group of plan account owners had a particular investment experience that limits their ability to meet savings objectives, we can create a new glide path for only that group of investors without altering the glide path for others. To this end, hypothetically, we could make the 2034/2035 Portfolio more aggressive than it would be otherwise at the end of the glide path. It is important to note that we have no immediate intention of doing this, and it would require more research into demographic trends and performance history, but we include this as a benefit because the new structure creates the flexibility for possible use in the future.
- **Distribution Timing Flexibility.** Given recent federal and state legislation permitting qualified 529 withdrawals for up to \$10,000 per year in K-12 tuition, TFI’s platform allows account owners the flexibility to own multiple target year portfolios within one beneficiary’s account to match to various target enrollment years. Unlike the current plan which maps a beneficiary’s DE529 age-based portfolio based on the beneficiary’s date of birth, our program allows account owners to opt into a year of enrollment of their own choosing. An enrollment year glide path is designed to ensure a single, enrollment portfolio with appropriate risk and return characteristics, consistent with industry standards and best thinking for asset allocation to a specific targeted year of distribution.

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<sup>1</sup> Ptak, *Can Tactical Asset Allocation Work?*.

- Provide your current and longer-term view on the following three strategic decisions:
  - a. Use of active/passive management: We strategically utilize both styles of management because both can play important roles in a diversified portfolio. To this end, we do not target a certain percentage of assets in actively managed products, but rather invest in active funds when we feel there is a greater likelihood of outperformance, for example, in the high yield corporate bond space. In April 2020, Morningstar reviewed which areas of the capital markets have the highest success rates for active management and came to a similar conclusion, showing that high yield bonds have one of the highest success rates across the primary asset classes.<sup>2</sup> With that said, and as long as there are no other preferences or discussion of specific strategies, we tend to favor diversified passive management because it provides beta exposure in efficient markets and keeps fees low.
  - b. U.S./non-U.S. equity split (as it relates to global market cap weightings): Our current and longer-term recommendation uses a split of 70/30. This is in line with industry standards for diversified equity asset allocations, as well as TIAA's approach for other multi-asset products at Nuveen. It also draws on TFI's empirical research that shows that an allocation of 20–40% international equity strikes a reasonable balance for reaping the potential rewards for diversifying into overseas markets without significantly raising volatility.
  - c. U.S./foreign bond split (as it relates to global market cap weightings): Our current and longer-term fixed income recommendation consists solely of U.S. bonds. While the foreign debt markets are large, they are more costly to access and bear significant headline risk that we feel outweigh the incremental return they may bring. Also, we view the role of fixed income in a portfolio is to provide stability against potentially volatile equity markets, and foreign bond exposure increases the total fixed income risk profile. Finally, while we do not make tactical decisions, the yield environment overseas continues to be less attractive and does not compel us to explore a foreign bond allocation at this time.

As is our standard practice, if the OST has specific direction or preferences for any of these positions on asset allocation, we are flexible and commit to working with the State to accommodate any preferences or to meet specific objectives.

#### Administration

- List the administrative reports that you propose to provide including the types of data and frequency necessary to keep the Board and staff apprised of the status of the Program. Samples of these reports should be included in your response.

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<sup>2</sup> Bryan, *How to Decide Where to Hire Active Managers*.



TFI has been managing 529 plans for more than 20 years and is well positioned to provide best-in-class services to support all aspects of the administration of DE529. As an industry-leading program manager, TFI features a dedicated 40-person Education Savings team committed to managing 529 plans, including our standout investment team solely dedicated to creating investment lineups for 529 plans.

TFI's Data, Analytics and Reporting capabilities allow for ease of development of standard, custom, and ad-hoc reporting, removing any dependency on accessing the production transaction processing platform. The Plan's data set is refreshed nightly, and is a reflection of the platform production environment for the prior day's close. TFI's dedicated Data Reporting team will respond to data requests.

TFI will work with Staff to create reporting that meets the needs of Staff and the Plan Board. The chart below outlines our reporting details and schedules:

Reporting Type	Frequency	Information Provided
<b>Investment performance</b>	Quarterly	Quarterly investment reports that include investment performance and monitoring, asset allocation analysis, and current market commentary.
<b>Plan summary and client service reporting</b>	Monthly	Provide key metrics, including account data, assets, cash flows, average account size, portfolio-level data, and other metrics, as requested.
<b>Plan summary and client service reporting</b>	Quarterly	Provide key metrics, including account data, assets, cash flows, average account size, portfolio-level data, participant demographics, market penetration, and other metrics, as requested.
<b>Marketing analytics reporting</b>	Quarterly	Provide quarterly quantitative marketing and website analytics to optimize campaigns and formulate future strategies. Interim results reported as needed depending on any campaigns in-market, and as requested by OST.

In addition to regular reporting, TFI's dedicated Delaware team will meet with Staff on a weekly, monthly, or quarterly schedule to provide ongoing monitoring and evaluation of program growth. This team will also be available to attend all Board and committee meetings, as applicable, to present program information.

Sample reports are included as attachments in Tab H, Section 2.



- For each type of plan that you administer, describe how contributions are processed, (i.e., through payroll deduction or clearinghouse transactions), and provide the number of programs using workplace enrollment, the total number of account owners, the total number of accounts by process and the monthly average contribution. Please specify whether different minimum initial and subsequent contribution amounts apply to accounts with automatic contributions.

TIAA-CREF Tuition Financing, Inc. (TFI) has been managing 529 college savings plans since 1998. With this proposal, TFI seeks to provide program management for the Delaware College Savings Plan utilizing Ascensus College Savings Recordkeeping (ACSR) as recordkeeper. TFI has retained ACSR, the largest 529 plan administrator in the nation, to provide administration and recordkeeping for all of our TFI programs. Alongside TFI, ACSR is one of the largest and most experienced service providers in the 529 industry.

### **WORKPLACE SAVINGS**

TFI is at the forefront of the growing popularity of college savings options within an employer's benefit suite. No one is more committed to the employer channel in the 529 plan space than TFI. We understand the importance of engaging employees through workplace enrollment and payroll direct deposit procedures. To support this key channel, we have technology specifically for employers. Our platform facilitates payroll direct deposit programs for any employer and provides the flexibility for a wide range of companies to adopt this very important contribution channel. Combining a dedicated team of specialists with platform flexibility, we are committed to simplifying the process to make it as easy as possible for employees to systematically invest. There are no expenses, size or threshold minimums required for employers.

The majority of our employer partners opt for ACH (direct deposit) for payroll deposits which simplifies the overall process with an electronic contribution at the individual employee level.

***\*Start Confidential\****

[REDACTED]

***\*End Confidential\****

### **USER-FRIENDLY ACCOUNT MANAGEMENT**

TFI utilizes ACSR as record keeper in large part for their dedicated 529 technology platform, Unite. This proprietary recordkeeping and processing platform is the only recordkeeping system that has been developed specifically for 529 plan administration. Usability, through a fully-responsive website, gives participants twenty-four hour access to their accounts, seven days a week. Unite's

core web-based technology gives the recordkeeping platform automation and flexibility. Account holder information is captured and secured in Unite's database. Its database infrastructure tier is a fully-redundant clustered environment that resides within a private cloud, safeguarded by a Business Continuity and Disaster Recovery Plan. The system has developed an interface with cloud computing services to enhance the web user experience by increasing the speed and availability of online services.

The Unite platform is designed to remove barriers to online enrollment—and was created to be user-friendly and intuitive in its accepting and processing of new enrollments, while providing a secure means for participants to interact with the plan. We understand the importance of providing an online account opening experience that is straight-forward and easy to use for the participant. An option for payroll direct deposit and electronic funds transfers are incorporated into the account opening process and can easily be accessed and added later by Account Owners.

There is no minimum to open an account. We can effect different minimum initial and subsequent investments or the same initial and subsequent minimums for accounts with automatic contributions, including contributions from payroll deductions. As an example, with the automatic investment plan, the minimum contribution level can be changed to any dollar amount per pay period should the State wish to make a change from DE529's current automatic investment minimum which is \$15 per month.

Electronic signatures are used for enrollments, which facilitate the participants' use of many other online features. If a participant can affirm that they are the stated individual and that they have read the required material, they will gain access to online functionality including contributions, qualified withdrawals, and profile updates. Participants must twice-acknowledge approval of the terms and conditions of the Plan, and this e-signature is captured and secured in our database.

For those who require paper enrollment, we will utilize "Smart Form" technology. With this technology, individuals type information into the online enrollment form and then print and mail the paper application to DE529. Prospective participants can also download and print blank forms from the website or contact the call center to have an enrollment kit mailed to them.

More than 90% of all accounts opened on Unite are created online. The platform's online enrollment flow has been streamlined to make it as simple as possible for families to open and fund accounts.

#### **Pre-filled Electronic Application**

For those who need extra prompting or reminders to complete an enrollment process, our system facilitates a pre-filled electronic application program. When out in the community or the workplace, this program allows visitors to state booths or seminars to provide just basic contact information. With their documented consent, we can use this contact information to start and save an

application which they can return to later to securely complete their enrollment. We will email them a link and special access code to allow them to log in to continue their enrollment. These pre-filled applications will expire after 30 days. Prospects will receive one reminder in advance of the pre-filled application's 30-day expiration date.

### **Save Draft Functionality**

For those who begin the online enrollment process but do not complete it, Unite's "save as draft" functionality preserves captured information for ease of future completion. Users do not actively have to choose to save; the system will do that automatically once their name and email are captured in the "Getting Started" screen. We will generate three triggered reminder emails to encourage them to complete their enrollment.

### **Account Maintenance and Management**

Account Owners are able to view and transact on their accounts through a fully-responsive website. Account net asset values are posted daily and Account Owners may view their daily balances and transaction histories through this website. Mobile devices access the same codebase as standard PCs, with content optimized for mobile devices, and screen layouts. Mobile devices and screen layouts will automatically conform to the size of the device from which the user connects. All transactions and features available on the transactional website on a PC are also available through any mobile device. These features include, but are not limited to:

- New Account Enrollment
- Contributions
- Withdrawals
- Exchanges
- Recurring Contributions
- Account Profile Maintenance

### **ACCOUNT OWNER 24/7 SELF-SERVICE**

The Unite platform enables account owners to engage in the Program through a secure self-servicing website. The following list represents the options available to account owners via the secure website:

- Open accounts as individual registrations or UGMA/UTMA registrations
- Enter and maintain participant, beneficiary, and successor owner information
- Select investment options and make percent allocations
- Elect to fund the account via EFT, recurring contributions, check, rollover, etc.
- Establish or modify recurring contributions from a checking or savings account
- Establish or update payroll deduction allocations
- Elect electronic or paper delivery of documents (or combination of both)

- Add and maintain interested parties for duplicate statements
- View current account balances, account positions, and detailed transaction history
- View personal performance
- View account statements and confirmations via PDF
- Download contribution coupon with personalized account information
- Make a subsequent contribution via EFT
- Change allocation of future contributions
- Reallocate existing assets to new investment options
- Request a withdrawal
- Send Ugift invitations and codes to family and friends
- Transfer account assets to a new or existing beneficiary

***\*Start Confidential\****

[REDACTED]

[REDACTED]

***\*End Confidential\****



The Unite recordkeeping platform is equipped with state-of-the-art processing automation and quality control capabilities and was built in a modular format to provide optimal flexibility as depicted in the following table.

With continuous enhancements and a focus on providing the functionality to execute on integrated front- and back-office operations, our recordkeeping platform is agile enough to keep DE529 at the forefront of the 529 plan industry as it continues to evolve. The platform is equipped with state-of-the-art processing automation and quality control capabilities and was designed in a modular format as depicted in the list below.

Application	Description
Unite	Core processing engine
Unite Web	Web-based customer and advisor portal
Unite Service	Client service interface
Unite Automation	Transactional processing module, includes automated imaging and document workflow
Unite Trade & Recon	Daily cash/balance reconciliation
Unite Compliance	Integrated compliance functionality
Unite Integration	Interface to third party systems and products
Unite Report	Reporting module for analytics and all aspects of plan information
Unite Reach	Innovative programs to reach new audiences <ul style="list-style-type: none"> <li>• Ugift</li> <li>• Employer Channel</li> <li>• Matching Grant and Scholarship functionality</li> </ul>

### Usability

The Unite platform was designed for the education saver with simplicity, intuition and customer experience in mind. Since 2002, the platform's customer-based application has evolved into an effective, efficient Customer Service Representative (CSR) module. This enhancement offers unparalleled servicing and usability to platform customers, such that a 529 customer and a service representative can view identical screens while resolving servicing issues which is not a standard practice across 529 record keepers. The secure site where 529 customer account owners can manage their accounts is fully-responsive for those accessing the Plan site from a browser on their mobile device.

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[REDACTED]

[REDACTED]

• [REDACTED]

[REDACTED]

• [REDACTED]

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[REDACTED]

- I [REDACTED]
- I [REDACTED]
- I [REDACTED]
- I [REDACTED]
- I [REDACTED]
- I [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*\*End Confidential\**

- Provide the following information with respect to data backup procedures:

*\*Start Confidential\**

a. Detailed description of your daily backup procedures

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

b. Description of your business continuity, business recovery and disaster control plans including the location of any disaster recovery facilities

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

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- c. The testing schedule and the date you last performed a disaster recovery test

A business continuity exercise is conducted annually to assess, evaluate, and enhance preparedness. The Business Continuity and Disaster Recovery Plan is updated at least annually and tested on an annual basis. The most recent Disaster Recovery Test and Data Center Failover Tests were conducted on November 18, 2020. Each of these tests were completed successfully and within the expected timeframes.

- Has the Program Manager implemented a cybersecurity plan? If so, please provide a detailed description of the plan. Describe your security methods in use for protecting personal identifying data and account owner financial information, including protections for telephonic and online inquiries and transactions.

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Method		Description
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]

[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]

*\*End Confidential\**



In the event suspicious activity is detected, ACSR will follow its documented Incident Response Policy. The policy includes specific steps and procedures to contain the incident and assess the impact, evaluate the effects associated with the incident, and determine the appropriate risk response. The response will include communication to internal and external parties including, but not limited to, participants, partners, and the State.

- What ideas do you have to grow the Program? How will you help us retain and improve upon our current Morningstar rating?

TFI has been an industry leader in marketing 529 plans using a combination of data driven marketing utilizing predictive models to identify and reach prospective account owners as well as on the ground localized marketing outreach to spur account and asset growth. We are excited to reimagine DE529 to help propel the plan into a new era of growth and have detailed our experience in the attached DE529 Marketing and Outreach proposal along with our proposed annual marketing budget. These Marketing and Outreach details are located in Tab F.

#### **MORNINGSTAR**

TFI has actively participated in Morningstar's annual ratings/interview process since Morningstar began rating state 529 plans. In 2020, six of our TFI managed 529 plans earned Morningstar medal ratings—one Gold, two Silvers, and three Bronze. We take the annual Morningstar evaluation process very seriously and work closely with our state partners to prepare them to position themselves well during the state interview. Morningstar has consistently validated our expertise and ability to manage nationally competitive plans on behalf of states in their medals awarded to our state partner plans.

We will provide strategic guidance and preparation to the State of Delaware in order to position the strengths and features of the plan as they relate to the four Morningstar pillars: Process, People, Parent, and Price.

In 2019, Morningstar introduced into their process a Request for Information (RFI) meant to provide initial background for each 529 Plan they review. TFI facilitates the response to this request by creating the first draft RFI response. We highlight our investment team's industry experience, the process for determining asset allocation recommendations, and for monitoring performance and investment managers. We also provide portfolio performance and attribution analysis. We will work with the OST to fill out the remaining RFI questions and are available to the State to address questions and provide all the necessary information needed to complete the RFI.

Importantly, given that TFI also maintains a direct relationship with Morningstar, TFI gets

involved to share insights with the State to help prepare for the annual interview. As an example, we can provide our view on which features of the Plan and the state's oversight may be worth emphasizing and advice on what Morningstar might be looking to learn from the State. TFI also has the benefit of managing several state programs and we are able to give pertinent insight into the questions that we expect to receive, along with the general nature or theme of each year's interview. Our joint preparation efforts result in an efficient in-person or virtual meeting, allowing OST to speak with confidence about the Plan, its investments, your governance, and marketing initiatives.

In their October 2020 analysis, while generally complimentary of DE529, Morningstar made reference to the Plan's relatively higher cost and quality of the underlying funds. We believe that the changes we propose bringing to DE529 will address these issues head on by incorporating low cost, best-in-class underlying funds along with the many other plan enhancements described in this proposal. We pride ourselves on being able to deliver a high level of service and expertise to our state partners in the administration and investments within our 529 plans—and Morningstar has recognized these efforts by consistently awarding medal ratings to six of our state plans over the past several years. While we cannot guarantee the certainty of a medal rating for the State of Delaware, we are confident the changes we are recommending with this proposal will feature DE529 in the brightest way possible.

- Will your website allow for the use of Delaware's Program branding?

Yes. TFI will brand and customize a standalone college savings website for DE529 as a key component of our marketing strategy. This full service DE529 website will utilize Delaware's Program branding (see mock-up below) and will serve as a resource center to educate prospective account owners and current account owners on the many functions of a 529 plan. TFI has made significant investments in online functionality to deliver an industry-leading 529 customer experience. Fully responsive for desktop and mobile use, our plan websites cater to today's on-the-go lifestyles of account owners and provides responsive design and content in a way that is simple to read and navigate. Visitors will be able to schedule a phone or in-person consultation with a DE529 Field Consultant, review plan benefits, investment options and planning information. Account owners will be able to make contributions, request withdrawals, check account balances, request a balance transfer and calculate college savings goals, 24/7 on their desktop or mobile device.

Other features would include:

- Streamlined navigation with specific content related to specific users (i.e., parents, students, family & friends, employers, and financial professionals)
- Availability of live webinars
- Event & Community Calendar
- Buzz page to host DE529 press releases and announcements
- Ugift enabling account owners to invite others to securely add money to their accounts on behalf of a loved one. One can easily share gifting codes using Ugift's email, Facebook or Twitter.
- Employer e-marketing resources
- Secure site containing personalized performance information for account owners

The State's DE529 website will be entirely DE529 account owners and dedicated to education savings. We will not post any TIAA or TFI marketing nor information that is not related to DE529 on the Plan's website.

Further details of our Marketing and Outreach proposal are provided in Tab F.



## Participant Experience

- Describe any previous relevant experience providing customer service for a state college savings program (or similar retail program) defined benefit, defined contribution, and college investment plans and indicate whether dedicated customer service staff will be assigned to the Program.

DE529 will be supported with a Plan specific, toll-free phone number so account owners and prospective account owners will have access to live customer service representatives. Our team of 122 representatives are available from 8 AM to 8 PM ET on days the New York Stock Exchange is open. Online account access is available 7 days per week, 365 days per year.

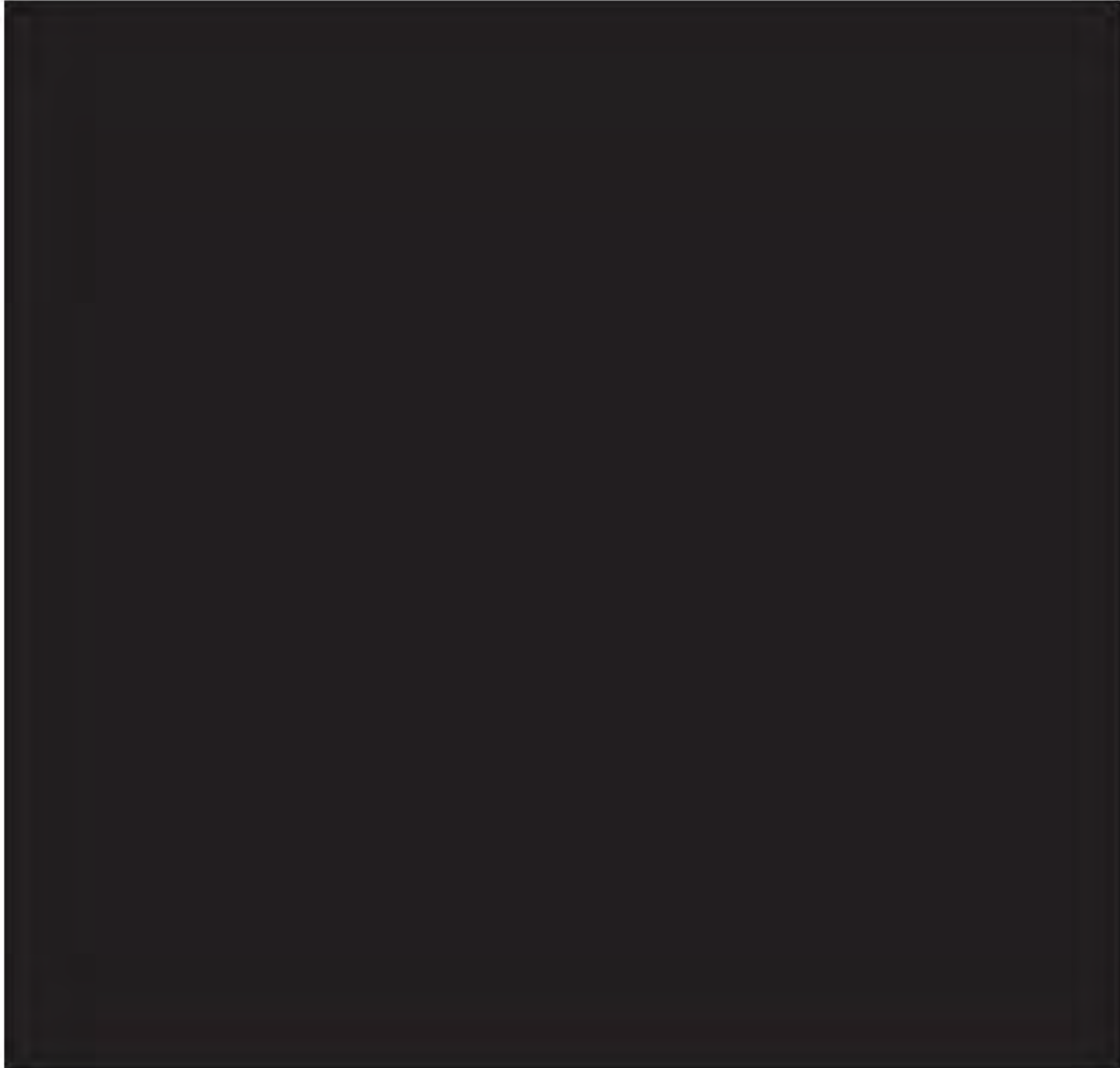
Further, OST will have a dedicated point of contact for any customer service issues that reach the State offices in Relationship Manager, Kerry Alexander. Kerry will coordinate with TFI Operations and our Customer Service areas to get to a quick resolution should any issues arise.

TFI and ACSR have demonstrated experience providing an outstanding customer experience for prospects and account owners. ACSR routinely captures account owner feedback to track and measure client satisfaction as well as to calculate Net Promoter Score (NPS®) which is a metric that measures a customers' likelihood to recommend a product, service, or organization as a score of customer experience.

***\*Start Confidential\****

[REDACTED]

## 2020 YTD Aggregate Results







*\*End Confidential\**

- Describe the process used to handle incoming customer calls, specifying whether or not a live representative answers the call, and if not, how do you provide routing to speak to live representatives and the ability to leave messages for return calls?

Inbound calls between 8 AM and 8 PM ET are answered live. With extensive experience in administering 529 plans, our center management team has an understanding of trends and forecasting information for peak periods. This understanding enables call center and administrative sites to respond effectively to increased college savings plan transactions and inbound calls. With detailed staffing models constructed from a vast set of data points—analyzed down to the service-time per transaction and call—staff will be augmented across sites to balance workloads and enable seamless processing and call handling should one site be impacted by a disaster, weather event or unexpected volumes. During seasonal peaks, we will utilize seasonal hires through a process of screening, hiring and training temporary staff. Our objective remains the same as in times of normal transaction volumes, to make it easy for account owners to interact with plans by providing them with superior service.

Representatives receive ongoing monthly training, and spend time working with only specific plans throughout the year. This allows appropriate allocation of client service resources to the areas that need them most. We employ a full-time permanent staff to handle normal call volumes. During high volume periods, typically December–January and July–September, we will utilize an additional temporary work force to handle increased volumes. Both full-time and temporary call center staffs are trained to handle calls for specific plans. Temporary staff is brought onboard for classroom and side-by-side peer training one month in advance of taking calls from account owners. In addition to the above mentioned staffing model ACSR maintains a ‘Swiss Army’ of former client service personnel who have moved on to other roles within the organization but participate, as needed, in periodic call center training in order to ensure all calls and work are serviced in a timely manner. ACSR does not require call center staff to be licensed.

- Where are your United States-based customer service center located and how many customer service representatives work there? How do you handle peak volume periods? How many customer service representatives will be specifically dedicated to this Program?

Call center support is available through three call centers located in Warwick, RI, Kansas City, MO, and Tucson, AZ. These sites have a combined full-time staff of 122 individuals dedicated to the call center including management and call center representatives. During times of peak volumes we rely on a part-time and temporary workforce to assist with the increase in work volumes. For more information on our call forecasting abilities, please see the preceding question.

Provide the following for the past 12 months, if applicable:

- Number of days to process a new account: 98% processed within 1 day, 100% within 3 days
- Number of days to process 99% of withdrawal requests: 99% processed within 1 day, 100% within 3 days
- Maximum time the system was not available during peak hours (i.e. when live representatives were available), and during non-peak hours: We do not directly correlate system availability to call center hours directly. Our system uptime objective is 99.5% 24x7x365. In 2020, our system uptime was 99.99%.
- Number of days to fulfill customer requests for information: All service representatives have access to submit literature fulfillment requests. We do not track timeliness; however, it is expected that all requests are submitted day-of and mailing occurs within 2 business days.

- Percent of contribution by check processed within one business day: 99% processed within 1 day, 100% within 3 days.
- Wait time (average number of minutes an account owner is on hold): The average wait time was 20 seconds for over 1 million 529 inbound phone calls handled in 2020.
- Do you provide participants with account projections at college age? Do you provide a college savings calculator? Do you provide information on distribution options and strategy?

TFI makes online calculators and educational materials available to better aid families as they prepare so they have a better understanding of the overall cost of college and the projected amount that they should be saving. These tools help them estimate their future costs and help them determine what level of savings is best for them. We customize our tools and resources to each of our state plans. On the distribution side, as more students come of age and need to use the funds in their account, we provide education and resources for those who are looking for savings or financial aid resources.

## 1. Pricing Proposal

Please provide a proposed fee structure for the services described in **Appendix B** for the initial contract period and any extension periods for each of the components being submitted in the Vendors' proposal.

TFI proposes a simplified annual program management fee of 9 basis points on each of the investment portfolios with the exception of the Principal Plus Interest Portfolio, which is provided without a fee to the account owner or State. The amount of any State Administration Fee is at the discretion of the State. Following implementation, the average asset-based fee across all of the proposed investment portfolios in DE529 plan, not including any State administrative fee, will be 28 bps and the Plan's weighted asset-based fee will be 26 bps.

Investment Portfolio	Program Manager Fee	State Administrative Fee	Estimated Expenses of an Investment Portfolio's Underlying Investments	Total Annual Asset Based Fees (Excluding State Fees)
Enrollment Year Investment Portfolios				
2038-2039	0.09%	TBD	0.26%	0.35%
2036-2037	0.09%	TBD	0.26%	0.35%
2034-2035	0.09%	TBD	0.26%	0.35%
2032-2033	0.09%	TBD	0.26%	0.35%
2030-2031	0.09%	TBD	0.26%	0.35%
2028-2029	0.09%	TBD	0.26%	0.35%
2026-2027	0.09%	TBD	0.26%	0.35%
2024-2025	0.09%	TBD	0.24%	0.33%
2022-2023	0.09%	TBD	0.17%	0.26%
n School	0.09%	TBD	0.13%	0.22%
Multi-Fund Allocation Portfolios				
Equity Allocation Portfolio	0.09%	TBD	0.25%	0.34%
Moderate Growth Allocation Portfolio	0.09%	TBD	0.26%	0.35%
Conservative Growth Allocation Portfolio	0.09%	TBD	0.17%	0.26%
Single Fund Portfolios				
Large Cap U.S. Equity Index Portfolio	0.09%	TBD	0.05%	0.14%
U.S. All Cap Equity Index Portfolio	0.09%	TBD	0.05%	0.14%
International Equity Index Portfolio	0.09%	TBD	0.05%	0.14%
U.S. Core Bond Index Portfolio	0.09%	TBD	0.04%	0.13%
ESG U.S. Equity Portfolio	0.09%	TBD	0.17%	0.26%
ESG U.S. Core Bond Index Portfolio	0.09%	TBD	0.20%	0.29%
Principal Plus Interest Portfolio	N/A		N/A	N/A

**\*Start Confidential\***

**\*End Confidential\***



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

Tab C

## **Attachment 2: Confidential or Proprietary Information**



## Attachment 2: Confidential or Proprietary Information Form

CONTRACT NUMBER: TRE-CPM-20102

☐ By checking this box, Vendor acknowledges that its proposal does not contain any information it declares to be confidential or proprietary for the purpose of production under FOIA.

### Confidentiality or Proprietary Information

Sections of the TFI response to this RFP considered Confidential Business Information are marked as such throughout the response. In addition, a description of the information considered Confidential Business Information is provided below, including a statement as to the reason(s) that such information is exempt from FOIA, and for the State's convenience, a redacted version of this response has been submitted with the original.

This information is privileged and confidential information of ACS that constitutes trade secrets, commercial, or financial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).

RFP page #, paragraph #, and/or section	Page/Section Detail	Analysis for Confidential Treatment
"Workplace Savings", pg. B1-28, Attachment 1	3 <sup>rd</sup> paragraph	The identified information in this section is sensitive business information regarding the capabilities of ACS' proprietary recordkeeping platform, Unite. Disclosure of such information would provide ACS competitors in the 529 industry with valuable information with respect to enhancing their own recordkeeping systems and potentially have significant economic impact to ACS. This information is privileged and confidential information of ACS that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
"Record Keeping Platform" pgs. B1-31, Attachment 1	Section in its entirety	This response contains sensitive and proprietary information about how ACS has designed and implemented a high value, low cost 529 administration platform (the "Unite Platform"). The unique configuration and development of the Unite Platform gives ACS one of its main sources of competitive advantage over its competitors in the 529 industry. This information is highly technical and could not be easily discerned or reproduced by a competitor without the level of detail provided in the answer. Disclosure of this information would potentially have significant economic impact to ACS and would diminish its competitive position in the 529 industry. For these

		reasons, the information contained in this response is privileged and confidential information of ACS that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
"Usability" section, beginning with the 3 <sup>rd</sup> paragraph, pgs. B1-33 – B1-36, Attachment 1	ReadySave 529 mobile application details, including screenshots	The identified information in this section is sensitive business information regarding ACS' proprietary software and user interface, the disclosure of which would provide ACS competitors in the 529 industry with valuable information with respect to enhancing their own user interface capabilities and potentially having significant economic impact to ACS. This information is privileged and confidential information of ACS that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
pgs. B1-37 – B1-38, Attachment 1	Entire sections under the headings "Flexibility", "Scalability" and "Responsive/Adaptive Design"	This response contains sensitive and proprietary information about how ACS has designed and implemented a high value, low cost 529 administration platform through its Unite Platform. The unique configuration and development of the Unite Platform gives ACS one of its main sources of competitive advantage over its competitors in the 529 industry. This information is highly technical and could not be easily discerned or reproduced by a competitor without the level of detail provided in the answer. Disclosure of this information would potentially have significant economic impact to ACS and would diminish its competitive position in the 529 industry. For these reasons, the information contained in this response is privileged and confidential information of ACS that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
pgs. B1-38 – B1-40, Attachment 1	The entirety of the detailed descriptions for daily backup procedures and business continuity outlined in sections "a" and "b", including recovery methods	This response relating to ACS' disaster recovery and business continuity plans contain confidential details on business continuance procedures and capabilities that ACS employs for the Unite Platform. This information is not readily apparent to outside observers and would provide a roadmap to competitors interested in replicating ACS' approach to the 529 recordkeeping business. Disclosure of this information would be detrimental to ACS and economically harm ACS as competitors as well as potential fraudsters would obtain highly sensitive

		business information regarding ACS processes and controls. For these reasons, the information contained in this response is privileged and confidential information of ACS that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
pgs. B1-40 – B1-41, Attachment 1	Security plan methods outlined in the bulleted item for cybersecurity plan	This response relating to ACS' risk management, information security and cybersecurity plans include highly sensitive non-public information that ACS treats as highly confidential information that could jeopardize the safety and security of ACS' data and data security systems. For these reasons, the information contained in the in this response is privileged and highly confidential information of ACS that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
pgs. B1-45 - B1-47, Attachment 1	2020 YTD Aggregate Results	The information contained in this section relates to AGS' customer service data and statistics, including information about customer satisfaction based on AGS' performance of services that if disclosed would potentially cause significant competitive harm as it could be used by competitors as a benchmark for customer service that is not publicly available. This information therefore constitutes sensitive commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
pg. B1-50, Attachment 1	Financial Commitment Support chart	The information contained in this section relates to TFI's financial commitment and support that if disclosed would significantly impact the competitive advantage that TFI has over its competitors in the 529 industry. Therefore, this information constitutes financial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
Tab A Section A-2, Executive Summary	Executive Summary	The information contained in this section includes confidential and proprietary information relating to AGS' systems, including the capabilities of ACS' proprietary recordkeeping platform, Unite, and TFI's financial commitment and support that if disclosed would significantly impact the competitive advantage that ACG and TFI, respectively, has over its competitors in the 529 industry. Therefore, this information constitutes trade secrets, commercial information and financial information exempt from disclosure under Delaware's Freedom of Information

		Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
Tab F, Marketing and Outreach	Marketing and Outreach	This response relating to TFI's marketing and outreach is confidential and proprietary strategic information that if disclosed would provide a roadmap to competitors interested in replicating TFI's marketing and outreach business strategies. Disclosure of this information would be detrimental to TFI and economically harm TFI as competitors would obtain highly sensitive business information regarding TFI's marketing and outreach strategies. For these reasons, the information contained in this response is privileged and confidential information of TFI that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).
Tab G, Education Savings Grant Programs	State-focused Education Savings Grant Programs	This response relating to TFI's education savings grant program is confidential and proprietary strategic business information that if disclosed would provide a roadmap to competitors interested in replicating TFI's education readiness programs. Disclosure of this information would be detrimental to TFI and economically harm TFI as competitors would obtain highly sensitive business information regarding TFI's education readiness programs. For these reasons, the information contained in this response is privileged and confidential information of TFI that constitutes trade secrets and commercial information exempt from disclosure under Delaware's Freedom of Information Act (FOIA), pursuant to 29 Del. Code, C. Section 10002(l)(2).

Use additional pages as necessary.



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

Tab D

## **Attachment 3: Exception Form**



### Attachment 3: Exception Form

CONTRACT NUMBER: **TRE-CPM-20102**

Proposals must include all exceptions to the specifications, terms or conditions contained in this solicitation, including all attachments and appendices. If Vendor is submitting the proposal without exceptions, please state so below.

- ☐ By checking this box, Vendor acknowledges that it takes no exception to the specifications, terms or conditions found in this solicitation, including the terms of the PSA.

Paragraph # and page #	Exceptions to specifications, terms or conditions	Proposed alternative
<b>Appendix B, Scope of Services, Program Administration and Compliance, paragraph 10, page D3-2</b>	Added service – TFI, at no cost to the State, will provide an annual financial audit of the Program. This added benefit will be a cost-saver to the State.	State to receive annual financial audit of the Program from TFI.
<b>Appendix B, Scope of Services, Customer Service, paragraph 3, page D3-3</b>	Vendor does not currently have the ability to receive deposits through the NSCC.	Delete reference to NSCC.
<b>Appendix B, Scope of Services, Call Center, paragraph 2, page D3-4</b>	Vendor provides qualified call center representatives but does not require them to be licensed or registered.	See Scope of Work Redline in Tab D
<b>PSA, Section 1.1, page D2-1</b>	Clarify that Vendor will be a fiduciary with respect to investment management services.	See PSA Redline in Tab D
<b>PSA, Section 2.1, page D2-2</b>	Clarifying compensation.	See PSA Redline in Tab D
<b>PSA, Section 2.3, page D2-2</b>	Clarifying compensation	See PSA Redline in Tab D
<b>PSA, Section 3.3, Page D2-3</b>	Allowing for a cure period of 90 days.	See PSA Redline in Tab D
<b>PSA, Section 4.5, page D2-4</b>	Clarifying that provision relates to data Vendor and subcontractors have in its	See PSA Redline in Tab D

	possession	
<b>PSA</b> , Section 4.7, Page D2-4	Clarifying data handling.	See PSA Redline in Tab D
<b>PSA</b> , Section 4.14 Page D2-5	Clarifying notification relates to incidents related to Services.	See PSA Redline in Tab D
<b>PSA</b> , Section 4.19, page D2-5	Clarifying that delivery of unaudited financial statements will be upon mutual agreement between OST and Vendor.	See PSA Redline in Tab D
<b>PSA</b> , Section 6.2, Page D2-6	Adding subcontractors and affiliates to provision.	See PSA Redline in Tab D
<b>PSA</b> , Section 6.3, Page D2-7	Adding subcontractors and affiliates to provision.	See PSA Redline in Tab D
<b>PSA</b> , Section 6.9, Page D2-8	TFI would like clarification on this provision as to what material or in what circumstance this may occur.	
<b>PSA</b> , Section 7.2, Page D2-9	Clarification of verbiage.	See PSA Redline in Tab D
<b>PSA</b> , Section 8.1, Page D2-9	Clarification of verbiage.	See PSA Redline in Tab D
<b>PSA</b> , Section 9.1, Page D2-10	Delete 9.1, D – Error and Omissions Insurance paragraph in its entirety.	Because TFI has Professional Liability Insurance, miscellaneous E&O insurance is not applicable.
<b>PSA</b> , Section 9.2, Page D2-10	Clarifying that Vendor’s subcontractor carries required insurance.	See PSA Redline in Tab D
<b>PSA</b> , Section 12.2 Page D2-12	Specifying a 180 calendar-day notice of intent to terminate provision.	See PSA Redline in Tab D
<b>PSA</b> , Section 12.3 Page D2-12	Clarifying Vendor will receive compensation while providing transition services.	See PSA Redline in Tab D
<b>PSA</b> , Section 12.4 Page D2-12	Clarifying transition services to be agreed upon between OST, Board and Vendor.	See PSA Redline in Tab D
<b>PSA</b> , Section 12.6 Page D2-12	Clarifying that the provision is as it relates to Services provided during transition.	See PSA Redline in Tab D
<b>PSA</b> , Section 13.2 Page D2-13	Establishes that the OST will consent to the delegation of duties to subcontractors identified in the Agreement.	See PSA Redline in Tab D
<b>PSA</b> , Exhibit 6: Data Usage Terms and Conditions Agreement DU2, Page D2-27	Specifies provision relates to after termination of this Agreement.	See PSA Redline in Tab D

**Note: Use additional pages as necessary.**

## PROFESSIONAL SERVICES AGREEMENT FOR COLLEGE INVESTMENT PLAN PROGRAM MANAGER AND ADMINISTRATION SERVICES

This Professional Services Agreement (“**Agreement**”) is entered into by and between the Office of State Treasurer (“**OST**”) for the State of Delaware (the “**State**”), on behalf of the Plans Management Board (the “**Board**”), and [\_\_\_\_] (“**Vendor**”).

WHEREAS, the State desires to retain Vendor to provide all necessary and appropriate recordkeeping, investment management and administrative services for the State’s college investment plan under section 529 of the Internal Revenue Code (the “**529 Plan**”);

WHEREAS, Vendor desires to provide the Services on the terms set forth in the Agreement;

WHEREAS, the State and Vendor represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, the State and Vendor agree as follows:

### 1. Services and Term.

- 1.1. Vendor shall provide the State with all necessary and appropriate transition, recordkeeping, investment management and administrative services for the 529 Plan, including those services as set forth herein and/or as specified on **Exhibit 1** (Statement of Work) to this Agreement (collectively, “**Services**”). Vendor shall serve as a ~~co-fiduciary in connection with the provision of Services~~fiduciary with respect to investment management services.
- 1.2. The initial term of the Agreement shall begin on the date this Agreement is fully executed, or as may be otherwise agreed upon by the parties, and shall extend for five years from that date. The State has three one-year extension options. OST, in its discretion, may exercise each option at any time prior to the expiration of the initial or extended term, as the case may be, subject only to Board approval of any such extension.

- 1.3. Vendor shall meet and confer with OST, the Board and/or any committee of the Board at such times and places as OST, the Board or a committee may reasonably request. Vendor, if requested by OST, shall participate in meetings with other State agencies concerning the Services or plan-related issues. Vendor shall keep OST staff informed of progress and provide updates to OST and the Board on the status of the Services. This interface shall include regular telephone communication, exchange of written data and analysis and other interaction as requested by OST or the Board.

## 2. Payment for Services and Expenses.

- 2.1. Vendor is entitled to receive compensation for Services ~~from participants solely~~ as provided on Exhibit 2. The State shall have no obligation to compensate Vendor for the performance of Services.
- 2.2. Vendor is solely responsible for ensuring that all Services are completed for the agreed upon fees.
- 2.3. All expenses incurred in the performance of Services are, other than compensation or account-related fees that Vendor or its subcontractors receive as set forth in this Agreement or in the Plan Description. Vendor's responsibility. Vendor shall not be reimbursed for any expenses incurred by Vendor in the performance of the Services, including, but not limited to, travel and lodging expenses, communications charges, and computer time and supplies.
- 2.4. The State shall not be liable for the payment of federal, state or local sales, use or excise taxes, including any interest and penalties from any related deficiency, which may become due and payable by Vendor as a consequence of the Agreement.

## 3. Performance Schedule.

- 3.1. Vendor is responsible for completing the transition of Services and providing Services to participants and beneficiaries in a timely fashion. A preliminary transition and Services schedule is set out on **Exhibit 3**. The parties shall work together to craft a final transition and Services schedule. The final project schedule shall be agreed upon and substituted as a replacement **Exhibit 3** within 30 days from the date the Agreement is fully executed by the parties.

- 3.2. Any delay of Services or change in the sequence of Services, whether on the preliminary or final project schedule, must be approved in writing by OST.
- 3.3. In the event that Vendor fails to complete the Services or any portion thereof within the time specified in **Exhibit 3**, or with such additional time as may be granted in writing by OST, or fails to perform any Service as specified on **Exhibit 3**, or any extensions thereof, unless such failure is cured within 90 days, Vendor shall forfeit and promptly return to OST those amounts specified on **Exhibit 3**. Unless otherwise directed by the Board, OST shall credit all amounts so forfeited and returned to the administrative fund of the 529 Plan trust.

#### **4. Responsibilities of Vendor.**

- 4.1. Vendor shall be solely responsible for the professional quality, technical accuracy, timely completion, and coordination of all Services, including the quality of any third-party solutions. In performing the Services, Vendor shall adhere to generally accepted professional and technical standards and comply with all applicable federal, state and local laws, ordinances, codes and regulations.
- 4.2. Vendor shall be responsible for ensuring that all Services, including all solutions and deliverables furnished pursuant to the Agreement, comply with the standards promulgated by the State's Department of Technology and Information ("DTI") published at <http://dti.delaware.gov/> and as modified from time to time by DTI during the term of the Agreement. If any Service furnished pursuant to the Agreement does not conform to DTI standards, Vendor shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to DTI standards. Vendor shall be liable and shall indemnify, defend and hold harmless the Indemnified Parties (as defined below) for all liabilities, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees), incurred by an Indemnified Party resulting from or attributable to Vendor's failure to comply with DTI standards and requirements, including those set forth on **Exhibits 4-6**.
- 4.3. Vendor shall execute and comply with the requirements of the Confidentiality (Non- Disclosure) and Integrity of Data Agreement attached as **Exhibit 4**.

- 4.4. It shall be Vendor's duty to assure that Vendor does not compromise the security, confidentiality, or integrity of information maintained by the State. In providing Services, Vendor will meet or exceed the standards set forth in the Top 20 Critical Security controls located at <http://www.sans.org/critical-security-controls/>.
- 4.5. Vendor shall be responsible for all security breaches involving State data (including participant and beneficiary personal identifiable information) that Vendor or any subcontractor or affiliate has in its possession caused by its employees and contract employees, its subcontractors, and the employees and contract employees of its subcontractors, and Vendor shall indemnify, defend and hold harmless the Indemnified Parties from any and all liabilities, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees), arising out of such breaches.
- 4.6. Multifunction peripherals must be hardened when used or connected to the State's network.
- 4.7. Electronic information ~~storage devices (hard drives, tapes, diskettes, compact disks, USB, multifunction peripherals, etc.)~~ shall be ~~disposed of~~ handled in a manner corresponding to the classification of the stored information, up to and including physical destruction.
- 4.8. Vendor shall execute and comply with the Cloud Services Terms and Conditions Agreement attached as **Exhibit 5**.
- 4.9. Vendor shall execute and comply with the Data Usage Terms and Conditions Agreement attached as **Exhibit 6**.
- 4.10. It shall be the duty of Vendor to assure that all Services are technically sound and in conformance with all applicable federal, state and local statutes, codes, ordinances, resolutions and other regulations, rules and industry standards applicable to the Services. Vendor will not provide a Service that infringes on any copyright, trademark, patent or other intellectual property rights. Vendor shall, without additional compensation, immediately correct or revise any errors or omissions in the solution and shall indemnify, defend and hold harmless the Indemnified Parties for all liabilities, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees), incurred by an Indemnified Party resulting from or attributable to Vendor's failure to comply with this Section.



- 4.11. The State's knowledge, review, approval, or acceptance of, or payment for, any Service shall not be construed to operate as an admission of any fact or circumstance, or a waiver of any rights under the Agreement or otherwise, and Vendor shall be and remain liable in accordance with the terms of the Agreement and applicable law for all damages caused by Vendor's breach or negligent performance or failure to perform under the Agreement.
- 4.12. Vendor shall appoint a senior employee, reasonably acceptable to OST, who will manage the transition of Services to Vendor and act as the single point of contact to OST regarding transition-related Services. Vendor also shall appoint a senior employee, reasonably acceptable to OST, who will manage the performance of post-transitions Services and act as the single point of contact to OST once services have been transitioned to Vendor.
- 4.13. Upon receipt of written notice from OST that a senior or other employee of Vendor is unsuitable for good cause, Vendor shall remove such employee from the performance of Services and substitute in his/her place an employee suitable to OST.
- 4.14. Unless legally prohibited, Vendor shall promptly notify OST's Designated Contact (as defined below) in writing of any investigation, examination or other proceeding involving Vendor, or any key personnel or designated staff of Vendor or a subcontractor, commenced by any regulatory or law enforcement agency and involving allegations of fraud or illegal conduct related to the Services.
- 4.15. Vendor agrees that its officers and employees will cooperate with OST in the performance of Services and will be available for consultation with OST and the Board or its committees upon reasonable request.
- 4.16. Vendor has or will retain such employees as it may need to perform the Services.
- 4.17. Vendor will not use OST's, the Board's or the State's name, either express or implied, in any of its advertising or sales materials without OST's express written consent.
- 4.18. Vendor represents that it is properly licensed, registered and authorized to transact business in the State.
- 4.19. Vendor will provide to OST audited or ~~unaudited financial statements~~, as requested by OST, or unaudited financial statements if requested by OST and agreed to by Vendor.

## 5. OST Responsibilities/Representations.

- 5.1. OST agrees that its officers and employees will cooperate with Vendor in the performance of Services and will be available for consultation with Vendor upon reasonable request.

## II. Ownership of Work Product and Data.

- 5.2. All materials, information, documents, reports and other work product, whether finished, unfinished, or draft, developed, prepared or completed by Vendor for the State relating to the Services shall become the property of the State and shall be delivered upon request. The State shall have the right to reproduce and disclose all work product related to the Agreement. The State's rights under this Section shall survive termination of the Agreement.
- 5.3. The State shall retain title and interest to all data and documents related to the Services. Upon termination of the Agreement, and for a period of six (6) months thereafter, OST and the State shall have access to all State data and documents and related activity and other reports available in connection with the Services. Promptly after such six (6) month period, all State data and documents and related activity and other reports shall be retained and returned or destroyed in accordance with Section ~~76~~.8.

## 6. Confidential Information of the State.

- 6.1. "Confidential Material," as used herein, means all agreements and other documents and data that contain confidential commercial, financial, consumer, or other confidential information of the State, whether or not such agreements or other documents are marked "confidential" or otherwise designated as confidential by OST.
- 6.2. Confidential Material shall be used by Vendor or Vendor's subcontractors and affiliates solely for purposes of executing its duties and obligations under the Agreement. Vendor or Vendor's subcontractors and affiliates may disclose Confidential Material only to those ~~Vendor~~ employees of Vendor, and Vendor's subcontractors and affiliates who have a need to access Confidential Material in the scope of their employment ~~for Vendor~~, and who have been informed, understand and acknowledge in writing that Confidential Material is highly sensitive and confidential and must be held in strictest confidence.

- 6.3. Confidential Material shall not be copied or reproduced without the express written permission of OST, except for such copies as may reasonably be required for Vendor or Vendor's subcontractors and affiliates to execute its duties and obligations under the Agreement. Except as contemplated by the Agreement, Vendor and Vendor's subcontractors and affiliates shall not store or aggregate in a data base or other electronic storage means any Confidential Material; provided, however, that Vendor and Vendor's subcontractors and affiliates ~~is~~are permitted to store Confidential Material in physical or electronic files in accordance with this Section 7 while executing its duties under the Agreement and for a reasonable period of time thereafter, after which the Confidential Materials, including all physical and electronic copies, shall be returned or destroyed in accordance with Section 7.8.
- 6.4. Except as expressly permitted in this Section 7, Confidential Material shall not be disclosed to any individuals or third parties without the prior written consent of OST, unless such disclosure is required by law. Vendor shall immediately notify OST in writing of Vendor's receipt of a court order, subpoena or discovery requests seeking or ordering the production, disclosure or inspection of any Confidential Material. Vendor shall, at the request of OST, object to any such order, subpoena or discovery and shall take all other measures that may reasonably be necessary to protect against the unwarranted production, disclosure or inspection of Confidential Material. In the event disclosure of Confidential Material is compelled or otherwise required by law, Vendor shall mark all documents submitted in connection with any such disclosure so as to indicate the confidential nature of the material and the State's interest therein.
- 6.5. This Section 7 shall not restrict the disclosure or use of Confidential Material that:
- a. is in the public domain at the time of disclosure or thereafter enters the public domain through no breach of the Agreement;
  - b. is in the possession of Vendor without restrictions when received;
  - c. has been lawfully obtained or is lawfully obtainable without restrictions from a source other than the State through no breach of the Agreement;
  - d. has been developed independently by Vendor and without reliance upon Confidential Material.

- 6.6. Vendor shall take commercially reasonable steps to restrict access to and otherwise safeguard the confidentiality and integrity of Confidential Material at all times, including, without limitation, the implementation of electronic security procedures and other measures designed to ensure that all Confidential Material is properly stored and protected at all times.
- 6.7. Vendor shall immediately disclose to OST the discovery of any security breach or suspicious intrusion involving Confidential Material and shall identify the type and amount of Confidential Material that was compromised or disclosed.
- 6.8. Unless otherwise agreed, within six (6) months from the termination of the Agreement, all Confidential Material, regardless of form, shall, at OST's option, be returned to OST or destroyed in accordance with all applicable law, orders, rules and regulations and industry best practices. Any electronic data or documents destroyed or deleted under this Section 7.8 shall be permanently deleted and shall not be recoverable, according to the National Institute of Standards and Technology's approved methods. If requested, Vendor shall provide a destruction certificate to OST listing the type and contents of electronic records or physical documents destroyed or permanently deleted under this Section 7.8. Notwithstanding the foregoing, Vendor may retain State data or documents for any period if and as required by applicable law; provided, however that Vendor shall thereafter store and protect such data and documents as required by the Agreement, the applicable provisions of which shall survive termination, and delete or destroy all such data and documents at the conclusion of such period.
- 6.9. The State shall have no obligation to disclose Confidential Material. The State may, in its discretion, provide or refuse to provide Confidential Material requested by Vendor.
- 6.10. Vendor understands and agrees that the State may suffer irreparable harm in the event that Vendor or its employees fail to comply with their obligations hereunder and that monetary damages may not be adequate to compensate the State for such breach. Vendor agrees that the State, in addition to other remedies available to it at law or in equity for actual damages, shall be entitled to seek injunctive relief to enforce the terms of this Section 7.

## 7. Warranty.

- 7.1. Vendor agrees to correct or re-perform any Services not in compliance with this Agreement.
- 7.2. Third-party software solutions or hardware or other products within the scope of the Agreement are warranted under the terms and conditions of the licenses or other agreements by which such products are governed. With respect to all third-party products sold, licensed or offered by Vendor in connection with the provision of the Services, if any, Vendor shall pass through ~~or assign~~ to the State all warranty and indemnification rights Vendor obtains from the manufacturers and/or vendor of such products and services ~~-(including warranty and indemnification rights)~~, to the extent that such rights are assignable. To the extent such rights are not assignable, Vendor shall honor all such third-party software and hardware warranties and indemnification obligations.

## 8. Indemnification; Limitation of Liability.

- 8.1. Vendor shall indemnify, defend and hold harmless OST, the Board and the State and their respective officers, committees, members, agents and employees (the “Indemnified Parties”) from any and all liability, suits, actions, claims or damages, together with all reasonable costs and expenses (including attorneys’ fees), arising out of Vendor’s breach of the Agreement, or the negligent, reckless, intentional or other tortious, fraudulent, illegal, or unlawful conduct of Vendor or any subcontractor or independent contractor of Vendor, or their respective officers, employees or agents, arising out of or related to the Agreement (“Claims”).
- 8.2. If OST notifies Vendor in writing of a Claim against an Indemnified Party, including, without limitation, any Claim based on Vendor’s disclosure of or failure to safeguard any personal financial or other private or confidential information, Vendor will defend such Claim at Vendor’s expense if so requested by OST, in OST’s sole discretion. Vendor will pay all costs and damages that may be finally awarded against an Indemnified Party.
- 8.3. Neither OST, the Board, the State, nor any other department, agency or instrumentality thereof, nor any committee, officer, member, agent or employee of the foregoing, shall have any liability to Vendor or any other party for fees (including attorneys’ fees), expenses, suits, actions, claims or damages, whether direct or indirect, compensatory or punitive, actual or consequential, in or for actions, claims, causes of action or rights, including indemnification rights, arising out of or related in any way to the Agreement.

- 8.4. Notwithstanding anything to the contrary herein, no provision of this Agreement shall constitute a waiver or limitation of any right of OST, the Board or the State that may exist under applicable law.
- 8.5. Notwithstanding anything to the contrary herein, to the extent available under applicable law, OST, the Board and the State and their respective committees, officers, members, agents and employees expressly reserve all rights, claims, arguments, defenses and immunities, including, without limitation, claims or defenses based on sovereign immunity, qualified immunity and other statutory or common law rights, claims, defenses or immunities; provided, however, that Vendor shall have the right to seek to enforce the Agreement in the courts of this State.

## 9. Insurance.

- 9.1. Vendor shall maintain the following insurance during the term of the Agreement:
- a. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law;
  - b. Comprehensive General Liability—\$1,000,000 per occurrence/\$3,000,000 per aggregate;
  - c. Professional Liability—\$5,000,000 per occurrence/\$5,000,000 per aggregate;
  - ~~d. Miscellaneous Errors and Omissions—\$1,000,000 per occurrence/\$3,000,000 per aggregate;~~
  - ~~e.d.~~ Automotive Liability Insurance covering all automotive units used in the work with limits of not less than \$100,000 for each person and \$300,000 for each accident as to bodily injury and \$25,000 as to property damage to others; and
  - ~~f.e.~~ Excess/Umbrella policy - Excess/Umbrella \$10,000,000 total (sits above underlying worker's compensation and employer's liability, general liability, professional liability, and business automotive liability).
- 9.2. In addition to the insurance policies required by Section 10.1, Vendor or Vendor's subcontractor, as applicable, must maintain cyber security liability insurance coverage with limits of \$5,000,000 per occurrence/\$5,000,000 per aggregate for loss resulting from a data breach. The policy shall be issued by an insurance company with an A.M. Best Rating of A- VII and shall remain in place for the term of the Agreement. Notwithstanding anything in **Exhibit 5**, Vendor shall immediately notify OST when Vendor becomes aware of a security breach involving State data.
- 9.3. Should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered to OST.



- 9.4. Before any work is performed pursuant to the Agreement, the Certificate of Insurance and/or copies of the insurance policies specified in Sections 10.1 and 10.2 shall be provided to OST. The certificate holder is as follows:

**Office of the State  
Treasurer 820 Silver Lake  
Bld., Suite 100  
Dover, DE 19904**

- 9.5. In no event shall OST, the Board, the State, or their respective committees, officers, members, agents or employees, be named as an additional insured on any policy required under the Agreement.

#### **10. Independent Contractor.**

- 10.1. It is understood that in the performance of the Services, Vendor is an independent contractor, not an agent or employee of OST, the Board or the State, and shall furnish such Services in its own manner and method, except as required by the Agreement.
- 10.2. Except as provided in Section 4, above, Vendor has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Vendor in the performance of the Services; provided, however, that Vendor will, subject to scheduling and staffing considerations, attempt to honor OST's request for specific individuals.
- 10.3. Vendor shall be solely responsible for, and shall indemnify, defend and hold the Indemnified Parties harmless from all matters relating to the payment of Vendor's employees and any subcontractor's or independent contractor's employees, including compliance with Social Security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.
- 10.4. Vendor acknowledges that Vendor and any agents or employees employed by Vendor shall not, under any circumstances, be considered employees of the State, and that they shall not be entitled to any of the compensation, benefits or rights afforded employees of the State, including, but not limited to, sick leave, vacation leave, holiday pay, pension benefits, and health, life, dental, long-term disability and workers' compensation insurance benefits.
- 10.5. Vendor shall be responsible for providing liability insurance for its personnel.
- 10.6. As an independent contractor, Vendor has no authority to bind or commit OST, the Board or the State. Nothing herein shall be deemed or construed to create a joint venture, partnership, or agency relationship between the parties for any purpose.

## 11. [Reserved.]

## 12. Termination.

- 12.1. The Agreement may be terminated by either party for default, which shall mean the failure of the other party to fulfill a material obligation under this Agreement, through no fault of the terminating party, but only after the other party is given:
  - a. Not less than 30 calendar days' written notice of intent to terminate and opportunity to cure; and
  - b. An opportunity for consultation with the terminating party prior to termination.
- 12.2. The Agreement may be terminated in whole or in part by the State for its convenience, but only after Vendor is given ~~sixty-one hundred and eighty~~ (60180) calendar days' written notice of intent to terminate.
- 12.3. Vendor is entitled to compensation earned for Services provided as of the effective date of termination and during any conversion period when Vendor is providing transition services and/or continuing to provide one or more of the Services.
- 12.4. In connection with any notice issued under this Section 13, the State may immediately retain another vendor to perform the Services. Vendor shall at all times cooperate in the transition and shall, ~~at no cost to the State,~~ perform such transition services as OST or the Board ~~and Vendor agree shall determine~~ are necessary or appropriate to enable the transition of work to a successor vendor or vendor. Vendor's obligation to provide transition services shall survive termination and shall continue until such date as is communicated in writing to Vendor that such services are no longer needed.
- 12.5. If after termination for breach it is determined that Vendor has not so failed, the termination shall be deemed to have been effected for convenience.
- 12.6. The termination of the Agreement shall not terminate any rights or obligations that are reasonably intended to extend beyond termination, including Vendor's indemnification and confidentiality obligations in connection with the Services or the transition services.
- 12.7. The rights and remedies of OST, the Board and the State provided in this Section are in addition to any other rights and remedies provided by law or under the Agreement.

12.8. Gratuities.

- a. OST may, by written notice to Vendor, terminate the Agreement without liability if it is found that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Vendor or any agent or representative of Vendor to any officer or employee of OST, the Board or the State with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of the Agreement.
- b. In the event the Agreement is terminated as provided in Section 13.8.a, the State shall be entitled to pursue the same remedies against Vendor it could pursue in the event of a breach of the Agreement by Vendor.

- 12.9. The validity and enforcement of the Agreement is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. If such funds are not so appropriated, (a) OST may immediately terminate the Agreement without liability, and (b) the Agreement shall be terminated without liability as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available.

**13. Assignment; Subcontracts.**

- 13.1. Any attempt by Vendor to assign or otherwise transfer any interest in the Agreement without the prior written consent of OST shall be void.
- 13.2. Vendor's employees shall perform all Services, ~~unless OST contents in writing to Vendor's request to use temporary staff, independent contractors or a subcontractor provided, however, that OST consents to the delegation of Services to the subcontractor(s) listed in Exhibit [X] to this Agreement.~~ Neither approval by OST of any such request, nor OST's acceptance of any solution or deliverable, or payment of any invoice, shall relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the Services. All temporary staff, independent contractors and subcontractors shall adhere to and be bound by all applicable provisions of this Agreement, including all exhibits.
- 13.3. Vendor shall be and remain liable for all damages to OST, the Board and the State caused by the negligent performance or non-performance of work under the Agreement by any use temporary staff, independent contractors or a subcontractor.
- 13.4. The compensation due to Vendor pursuant to **Exhibit 2** shall not be affected by OST's approval of Vendor's request to use temporary staff, independent contractors or a subcontractor.

#### **14. Complete Agreement.**

- 14.1. This Agreement and its exhibits, which are incorporated herein by reference, constitute the entire agreement between the State and Vendor with respect to the subject matter of the Agreement and shall not be modified or changed without the express written consent of the parties. The provisions of the Agreement supersede all prior oral and written quotations, communications, agreements and understandings of the parties with respect to the subject matter of the Agreement.
- 14.2. If the scope of any provision of the Agreement is too broad in any respect to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.
- 14.3. If any term or provision of the Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of the Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.
- 14.4. Each exhibit, except as otherwise agreed, shall be a complete statement of its subject matter and shall supplement, modify and supersede the terms and conditions of the Agreement.

#### **15. Miscellaneous Provisions.**

- 15.1. Neither this Agreement, nor any exhibit, may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of the Agreement shall be effective unless it is in writing and signed by the party against whom enforcement is sought.
- 15.2. The delay or failure by either party to exercise or enforce any of its rights under the Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

- 15.3. Vendor covenants that it presently has no interest, and that it will not acquire any interest, direct or indirect, that conflicts or would conflict in any manner or degree with the performance of Services required under the Agreement. Vendor further covenants that, in the performance of said Services, no person having any such interest shall be employed.
- 15.4. Vendor acknowledges that OST, the Board and the State will not subsidize or tolerate discrimination. Vendor recognizes that its refusal to hire or do business with an individual or company due to reasons of race, color, gender, ethnicity, disability, national origin, age, or any other protected status, may result in the State declaring Vendor in breach of the Agreement, terminating the Agreement without liability and/or taking such additional action as may be warranted under the circumstances.
- 15.5. Vendor warrants that no person or selling agency has been employed or retained to solicit or secure the Agreement upon an agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State shall have the right to annul the Agreement without liability.
- 15.6. The Agreement was drafted with the joint participation of both parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.
- 15.7. At the option of OST, the parties shall attempt in good faith to resolve any dispute arising out of or relating to the Agreement promptly by negotiation between officials or executives who have authority to settle the controversy. All offers, promises, conduct and statements, in each case relating to dispute resolution, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible in any proceeding involving the parties; provided, however, that evidence that is otherwise admissible or discoverable may not be rendered inadmissible merely because it was the subject of discussion in the course of negotiation.
- 15.8. Any disputes, claims or controversies arising out of or relating to the Agreement that are not resolved through resolution pursuant to Section 16.7, may be submitted to mediation, if OST so elects in its sole discretion. Any such proceedings held pursuant to this provision shall be governed by the State's laws, and venue shall be in this State. The parties shall maintain the confidential nature of the proceedings and shall keep the terms of any resulting settlement or award confidential to the extent permissible under applicable law. Each party shall bear its own costs of mediation, including attorneys' fees and half of the mediator's fees and expenses.

- 15.9. Neither party to the Agreement shall be liable for damages resulting from delayed or defective performance of its obligations under the Agreement when such delays or defective performance arise out of causes beyond the reasonable control and without the negligence or willful misconduct of the party.
- 15.10. The Agreement (including all exhibits and content) and all information relating to Vendor's compensation for Services are public documents subject to mandatory disclosure under 29 *Del. C.* § 10001-10007. In the event that OST is required by law (any statute, governmental rule or regulation, or judicial or governmental order, judgment or decree) to disclose to the public any information or document reasonable designated as "confidential" by Vendor, OST will, to the extent reasonably practicable prior to disclosure, give Vendor prior written notice of such disclosure or potential disclosure. Vendor's designation as to confidentiality is not binding on OST, the Board or the State.
- 15.11. The provisions of the Agreement are for the sole benefit of the parties hereto. The Agreement confers no rights, benefits or claims upon any person or entity not a party hereto.

#### **16. Assignment of Antitrust Claims.**

As consideration for the award and execution of the Agreement, Vendor hereby grants, conveys, sells, assigns and transfers to the State all of Vendor's right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States or this State relating to the Services or the Agreement.

#### **17. Governing Law.**

The Agreement shall be governed by and construed in accordance with Delaware law, without regard to conflict of laws rules or principles. Vendor consents to jurisdiction and venue in this State.



## 18. Notices.

Any and all notices required by the provisions of the Agreement shall be in writing and shall be mailed, certified or registered mail, return receipt requested. All notices shall be sent to the following addresses:

If to OST:

Attn: [\_\_\_\_\_] (  
[\_\_\_\_\_] (“Designated  
Contact”) 820 Silver Lake Blvd., Suite 100  
Dover, DE 19904

If to

Vendor:

Attn:

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

**OFFICE OF THE STATE  
TREASURER, on behalf of the PLANS  
MANAGEMENT BOARD**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**[Vendor]**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

The following five exhibits are attached and shall be considered part of this Agreement:

- **Exhibit 1 – Statement of Work**
- **Exhibit 2 – Payment Schedule**
- **Exhibit 3 – Performance Schedule**
- **Exhibit 4 – Confidentiality (Non-Disclosure) and Integrity of Data Agreement**
- **Exhibit 5 – Cloud Services Terms and Conditions Agreement**
- **Exhibit 6 – Data Usage Terms and Conditions Agreement**

Capitalized terms used but not defined in an exhibit shall have the meanings ascribed to such terms in the Agreement.

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## **Exhibit 1: Statement of Work**

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## **Exhibit 2: Payment Schedule**

Vendor shall be entitled to compensation for Services provided under the Agreement as provided below.

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### **Exhibit 3: Project Schedule**

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## **Exhibit 4: Confidentiality (Non-Disclosure) & Integrity of Data Agreement**

### **CONFIDENTIALITY (NON-DISCLOSURE) AND INTEGRITY OF DATA AGREEMENT**

DTI is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored; e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State agency data will not be modified without the knowledge and written authorization of DTI. All data generated from the original source data shall be the property of the State. The control of the disclosure of those data shall be retained by the State and DTI.

I/we, as an employee(s) of \_\_\_\_\_ or officer of my firm, when performing work for the State, understand that I/we act as an extension of DTI and therefore I/we are responsible for safeguarding the State's data and computer files as indicated above. I/we will not use, disclose, or modify State data or State computer files without the written knowledge and written authorization of the State. Furthermore, I/we understand that I/we are to take all necessary precautions to prevent unauthorized use, disclosure, or modification of State computer files, and I/we should alert my immediate supervisor of any situation which might result in, or create the appearance of, unauthorized use, disclosure or modification of State data.

Penalty for unauthorized use, unauthorized modification of data files, or disclosure of any confidential information may mean the loss of my position and benefits, and prosecution under applicable State or federal law.

This statement applies to the undersigned Vendor and to any others working under the Vendor's direction.

I, the undersigned, hereby affirm that I have read and understand the terms of the above Confidentiality (Non-Disclosure) and Integrity of Data Agreement, and that I/we agree to abide by its terms.

**Vendor**

**Name:**

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**Authorizing Official Name (print):** \_

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**Authorizing Official Signature: \_**

**Date: \_**

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Exhibit 5: Cloud Services Terms and Conditions Agreement

***PUBLIC AND NON-PUBLIC DATA OWNED BY THE STATE OF DELAWARE***

Contract # \_\_\_\_\_, between State of Delaware and \_\_\_\_\_

dated \_\_\_\_\_

	Public Data	Non Public Data	CLOUD SERVICES (CS) TERMS
<b>Vendor must satisfy Clause CS1-A OR Clauses CS1-B and CS1-C, AND Clause CS4 for all engagements involving non-public data. Clause CS2 is mandatory for all engagements involving non-public data. Clause CS3 is only mandatory for SaaS or PaaS engagements involving non-public data.</b>			
CS1-A			<b>Security Standard Compliance Certifications:</b> Vendor shall meet, and provide proof of, one or more of the following Security Certifications. <ul style="list-style-type: none"> <li>• CSA STAR – Cloud Security Alliance – Security, Trust &amp; Assurance Registry (Level Two or higher)</li> <li>• FedRAMP - Federal Risk and Authorization Management Program</li> </ul>
CS1-B			<b>Background Checks:</b> Vendor must warrant that they will only assign employees and subcontractors who have passed a state-approved criminal background checks. The background checks must demonstrate that staff, including subcontractors, utilized to fulfill the obligations of the contract, have no convictions, pending criminal charges, or civil suits related to any crime of dishonesty. This includes but is not limited to criminal fraud, or any conviction for any felony or misdemeanor offense for which incarceration for a minimum of 1 year is an authorized penalty. Vendor shall promote and maintain an awareness of the importance of securing the State's information among Vendor's employees and agents. Failure to obtain and maintain all required criminal history may be deemed a material breach of the Agreement and grounds for immediate termination and denial of further work with the State.
CS1-C			<b>Responsibility:</b> Vendor shall be responsible for ensuring its employees' and any subcontractors' compliance with the security requirements stated herein.
CS2			<b>Breach Notification and Recovery:</b> Vendor must notify the State immediately of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State data. If data is not encrypted ( <i>see</i> CS3, below), Delaware Code (6 Del. C. §12B-100 et seq.) requires public breach notification of any incident resulting in the loss or unauthorized disclosure of personally identifiable information by Vendor or its subcontractors. Vendor will provide notification to persons whose information was breached without

	Public Data	Non Public Data	CLOUD SERVICES (CS) TERMS
			unreasonable delay but not later than 60 days after determination of the breach, except 1) when a shorter time is required under federal law; 2) when law enforcement requests a delay; 3) reasonable diligence did not identify certain residents, in which case notice will be delivered as soon as practicable. All such communication shall be coordinated with the State. Should Vendor or its employees or subcontractors be liable for the breach, Vendor shall bear all costs associated with investigation, response, and recovery from the breach. This includes, but is not limited to, credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll-free telephone call center services. The State shall not agree to any limitation on liability that relieves Vendor or any person or entity from responsibility for its own negligence or conduct, or to the extent that it creates an obligation on the part of the State to hold any person or entity harmless.
CS3			<b>Data Encryption:</b> Vendor shall encrypt all non-public data in transit, regardless of transit mechanism. For engagements where Vendor stores personally identifiable information or other sensitive, confidential information, it shall encrypt this non-public data at rest. Vendor's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS140-2 and subsequent security guidelines. Vendor and the State will negotiate mutually acceptable key location and key management details. Vendor shall maintain mandatory cyber security liability insurance coverage for the duration of the Agreement.
CS4			<b>Notification of Legal Requests:</b> Vendor shall contact OST upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. With regard to State data and processes, Vendor shall not respond to subpoenas, service of process, and other legal requests without first notifying OST, unless prohibited by law from providing such notice.

The terms of this document shall be incorporated into the Agreement. Any conflict between this document and the aforementioned Agreement shall be resolved by giving priority to the Agreement.

FOR OFFICIAL USE ONLY	<input type="checkbox"/> CS4 (Public Data)
	<input type="checkbox"/> CS1-A and CS4 (Non-Public Data) OR <input checked="" type="checkbox"/> CS1-B and CS1-C and CS4 (Non-public Data)
	<input type="checkbox"/> CS2 (Non-public Data) <input type="checkbox"/> CS3 (SaaS, PaaS – Non-public Data)

**VENDOR Name/Address (*print*):**

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**VENDOR Authorizing Official Name (*print*):**

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**VENDOR Authorizing Official Signature:**

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**Date:**

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TRE-CPM-20102

### Exhibit 6: Data Usage Terms and Conditions Agreement

Contract # \_\_\_\_\_, between State of  
Delaware and  
\_\_\_\_\_ dated \_\_\_\_\_

	Public Data	Non Public Data		DATA USAGE (DU) TERMS
DU1	√	√	Data Ownership	The State shall own all right, title and interest in its data that is related to the Services. Vendor shall not access State user accounts, or State data, except (i) in the course of data center operations, (ii) response to service or technical issues, (iii) as required by the express terms of this contract, or (iv) at OST or the State's written request. All <del>information data</del> obtained or generated by Vendor in connection with the Agreement shall become and remain property of the State.
DU2	√	√	Data Usage	<p>Vendor shall comply with the following conditions. At no time will any information belonging to or intended for the State be copied, disclosed, or retained by Vendor or any third party for subsequent use <u>after termination of this Agreement</u>. Vendor will take reasonable steps to limit the use of, or disclosure of, and requests for, confidential State data. Vendor may not use any information collected in connection with the Services for any purpose other than fulfilling a Service. Protection of personally identifiable information, privacy, and sensitive data shall be an integral part of the business activities of Vendor to ensure that there is no inappropriate or unauthorized use of State information at any time. Vendor shall safeguard the confidentiality, integrity, and availability of State information.</p> <p>Only duly authorized Vendor staff will have access to State data and may be required to obtain security clearance from the State. No party related to Vendor may retain any data for subsequent use that has not been expressly authorized by the State.</p>

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	Public Data	Non Public Data		DATA USAGE (DU) TERMS
DU3	√	√	Termination and Suspension of Service	<p>Unless otherwise provided in the Agreement, in the event of termination of the Agreement, Vendor shall implement an orderly return (in CSV or XML or another mutually agreeable format), or, shall guarantee secure disposal of State data.</p> <p><i>Termination of the Agreement:</i> In the event of termination, Vendor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State data for a period of six (6) months after the effective date of the termination. Within this timeframe, Vendor will continue to secure and back up State data covered under the Agreement. After such 6-month period, Vendor shall have no obligation to maintain or provide any State data. Thereafter, unless legally prohibited, Vendor shall dispose securely of all State data in its systems or otherwise in its possession or control, as specified herein.</p> <p><i>Post-Termination Assistance:</i> The State shall be entitled to reasonable post-termination assistance with respect to the transition of Services.</p>
DU4		√	Data Disposition	<p>Unless otherwise provided in the Agreement, at no time shall any data or processes that either belong to or are intended for the use of the State be copied, disclosed, or retained by Vendor.</p> <p>Unless otherwise provided in the Agreement, when required by the State, Vendor shall destroy all requested data in all of its forms (e.g., disk, CD/DVD, backup tape, paper). Data shall be permanently deleted, and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) approved methods. Vendor shall provide written <a href="#">certificates of destruction</a> to OST.</p>



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<b>DU5</b>		√	<b>Data Location</b>	Vendor shall not store, process, or transfer any non-public State data outside of the United States, including for back-up and disaster recovery purposes. Vendor may permit its personnel offshore access to the data, as long as the data remains onshore.
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TRE-CPM-20102

	Public Data	Non Public Data		DATA USAGE (DU) TERMS
DU6		√	Breach Notification and Recovery	Vendor must notify the State immediately of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State data. If data is not encrypted ( <i>see</i> CS3, below), Delaware Code (6 <i>Del. C.</i> §12B-100 et seq.) requires public breach notification of any incident resulting in the loss or unauthorized disclosure of personally identifiable information by Vendor or its subcontractors. Vendor will provide notification to persons whose information was breached without unreasonable delay but not later than 60 days after determination of the breach, except 1) when a shorter time is required under federal law; 2) when law enforcement requests a delay; 3) reasonable diligence did not identify certain residents, in which case notice will be delivered as soon as practicable. All such communication shall be coordinated with the State. Should Vendor or its employees or subcontractors be liable for the breach, Vendor shall bear all costs associated with investigation, response, and recovery from the breach. This includes, but is not limited to, credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll-free telephone call center services. The State shall not agree to any limitation on liability that relieves Vendor or any person or entity from responsibility for its own negligence or conduct, or to the extent that it creates an obligation on the part of the State to hold any person or entity harmless.
DU7		√	Data Encryption	Vendor shall encrypt all non-public data in transit, regardless of transit mechanism. For engagements where Vendor stores personally identifiable information or other sensitive or confidential information, it shall encrypt this non-public data at rest. Vendor's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS140-2 and subsequent security guidelines. Vendor and the State will negotiate mutually acceptable key location and key management details. Vendor shall maintain mandatory cyber security liability insurance coverage for the duration of the Agreement.

The terms of this document shall be incorporated into the Agreement. Any conflict between this document and the aforementioned Agreement shall be resolved by giving priority to the Agreement.

TRE-CPM-20102

FOR OFFICIAL USE ONLY  $\Delta$  DU 1 - DU 3 (Public Data Only) OR  $\Delta$  DU 1 - DU 7 (Non-public Data)

VENDOR Name/Address (*print*):

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VENDOR Authorizing Official Name (*print*):

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VENDOR Authorizing Official Signature: \_

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Date: \_

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## APPENDIX B: SCOPE OF SERVICES

The Program Manager is expected to provide a variety of services. The following section outlines the expectations broken down into the different service categories, including Program Conversion and Transition, Program Administration and Compliance, Recordkeeping, Participant Experience, Investment Management, and Marketing and Distribution.

**TFI Response:** We have reviewed and understand the Scope of Services the State requires and are confident we can deliver all services as outlined except where noted below. In addition, and noted below, we offer additional information to highlight our unique capabilities in providing the required services and offer additional or modified services, which we believe, will be of great benefit to the State:

### A. Program Conversion and Transition

In the event of a conversion, the new Program Manager will provide transition-related services.

- Develop a detailed timeline and plan for conversion of assets, including mapping and communications to account owners.
- Provide a detailed communication plan to ensure timely communications to existing account owners during a transition period.
- Provide a seamless transition of account information and processes for account owners.
- Reconcile cash and NAVs to ensure all assets are accounted for prior to and after conversion.
- Ensure that all account assets are continuously invested throughout the conversion and implementation process.
- Provide a transition team with a lead transition manager at its expense.
- Take all steps necessary to achieve a transition date that is agreed upon by the Board and the new Program Manager

In the event of a conversion to a successor Program Manager, the outgoing Program Manager will provide transition-related services.

- Cooperate in the development of a detailed timeline and plan for conversion.
- Cooperate in the transition of account information and processes for account owners.
- Assist with the reconciliation of cash and NAVs to ensure all assets are accounted for prior to and after conversion.

- Ensure that all account assets are continuously invested through the conversion.
- Provide a transition team with a lead transition manager at its expense.
- Take all steps reasonably necessary to achieve a transition date that is agreed upon by the Board and the new Program Manager.

#### **B. Program Administration and Compliance**

- Manage the program in compliance with Section 529 and all other applicable state and federal statutes, rules and regulations, including those promulgated by the Securities and Exchange Commissions (the “SEC”) and the Municipal Rulemaking Board (“MSRB”). Administer and operate the Program in accordance with the rules, regulations, policies and directives of the Board, including the Investment Policy Statement for the 529 Plan.
- Have a formal privacy policy in place that adheres to the most stringent privacy policy standards in the industry including state and federal standards that protect the confidentiality of account information.
- Report contributions, distributions and any other Program activity as may be required to be reported to the Internal Revenue Service (the “IRS”), the SEC, the MSRB or any other federal, state or local agency of competent jurisdiction.
- Act as a custodian co-fiduciary of Program assets and provide custodial, fund administration and fund accounting services.
- Create and produce all applicable Program documents, including enrollment and account maintenance forms and offering documents in compliance with all state and federal regulations, and in compliance with general Section 529 or mutual fund best practices. Materials shall be available online and in print.
- Provide the Board with reports on all specified business metrics and other aspects of the Program as will be specified in the Management Agreement and other ad hoc reports that may be requested by the Board or OST, including quarterly reports on the Program and Program activities.
- Attend quarterly all Board and Committee meetings and prepare and deliver present quarterly reports quarterly reports on the Program and Program activities.
- Implement and abide by a state-of-the-art fraud prevention program.
- Provide all documents requested in connection with and otherwise assist with audits of the Program.

TFI Additional Service Provider: At the State’s request, TFI will complete an annual DE529 Plan audit using a third-party auditor at no cost to the State.

- Cooperate with OST and the Board's consultant as needed on any Program administration or compliance issues.

### **C. Recordkeeping**

- Provide recordkeeping services in compliance with Section 529 and all other applicable state and federal statutes, rules and regulations, including those promulgated by the SEC and the MSRB
- Generate and mail all applicable tax reports, including 1099Qs to the appropriate recipients.
- Generate and mail all necessary Program correspondence, including, confirmation statements, quarterly and annual statements and make available current account information when requested.

### **D. Participant Experience**

#### **Customer Service**

- Act as first and main point of contact for all account owners.
- Establish and maintain accounts, collect payments, process withdrawals on a daily basis, and provide accurate, easy to understand confirmation, quarterly and annual account statements and other customer communications.
- Maintain the ability to receive contribution via check, ACH, and direct deposit, ~~and NSCC~~.
- Allow account owners to request withdrawals via telephone, online and mail.
- Maintain robust quality control procedures to minimize error rates.
- Ensure the confidentiality and privacy of all prospects, account owners and beneficiaries, as applicable.
- Manage all incoming and outgoing correspondence for the Program.
- Provide access to enrollment materials through an automated fulfillment system.
- Provide information on distribution options and strategies.
- Maintain a system for tracking and reporting customer satisfaction and complaints. Evaluate customer satisfaction on an ongoing basis and provide reports on a quarterly basis to the Board.



Address customer complaints in a timely fashion and provide reports on a quarterly basis to the Board.

### **Call Center**

- Maintain a comprehensive call center in the United States with a toll-free number(s) for the Program available during normal business hours for all four U.S. continental time zones.
- The call center shall be staffed with enough qualified call center representatives ~~who are licensed or registered in accordance with applicable law to handle DE529 call volume.~~
- Enable individuals to obtain or request Program materials online and through the call center.
- Have a method to identify, track and report on all call interactions with an account owner, including the time and date of a call, the identity of the call center representative who spoke with the caller, the reason for the call and the call's resolution.

### **Self-Servicing Website**

- Provide, maintain and update the website for the Program ensuring that it is specifically planned, designed and search-engine optimized.
- Provide state of the art security and password protocols, including two-factor authentication.
- Permit a secure online account opening process, which allows prospective account owners to start, save and complete enrollment process, and includes the ability to contribute when enrolling online.
- Provide ability to view all accounts owned by the same account owner from a single log-on organized by beneficiary.
- Permit account owners to perform the following transactions online, at a minimum
  - Contribute online from a variety of sources
  - Add or change contributions
  - Request duplicate statements
  - View account assets, investment performance and registration information
  - View quarterly statements, annual statements and confirmation statements
  - View year-to-date contributions and transactions
  - Change mailing address

## **E. Investment Management**

The Program Manager will manage investments as a fiduciary for the Board, account owners and beneficiaries in accordance with the Program's Investment Policy Statement ("IPS") and the Management Agreement.

- Offer investment options with fee structures that appeal to a wide range of investors with various risk tolerance levels and contribution levels.
- Offer an appropriate asset allocation strategy for each age- or risk-based portfolio.
- Offer investment funds to the Board for consideration when existing investment funds need to be replaced or when there is a need for additional investment options.
- Enable meetings between the Board and portfolio/underlying fund managers (or their direct staff) as may be appropriate to review, at a minimum, market conditions, strategy and investment performance.
- Collaborate with the Board's investment consultant as needed on investment-related issues for the Programs.
- Use institutional share classes where available and lowest cost share classes in all other cases. Regularly review and disclose the fees and fee structures in place to ensure that the Program provides competitive fees and is fully transparent.
- Provide quarterly reporting materials with detailed analysis of the underlying funds, portfolios, and portfolio positioning commentary.

## **F. Marketing and Distribution**

- The Program Manager will develop and implement a marketing strategy that will provide the broadest visibility across potential investors, nationally and within Delaware.
- Develop promotional materials using the State's Program branding and assure compliance with applicable laws relating to such materials.
- Provide professional or financial resources to market the Program to employers, community groups and financial advisors
- Develop and execute a multi-year marketing plan dedicated to the promotion of the Program in Delaware and nationwide, subject to the Board's approval.
- Develop and maintain applicable websites to provide current Program information.
- Track on an ongoing basis and report to the Board on a quarterly basis the effectiveness of outreach efforts, marketing initiatives, activities and literature relative to peers and national data.



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

Tab E

## **Attachment 4:** **Business References**

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## **Attachment 4: Business References**

### **CONTRACT NUMBER: TRE-CPM-20102**

List a minimum of three business references. At least two (2) of the references should be from government entities.

#### **Julio Martinez**

**Executive Director**

**ScholarShare Investment Board**

**State Treasurer's Office**

915 Capital Mall, Sacramento, CA 95814

213-620-5882

JMartinez@treasurer.ca.gov

TFI has run 529 program management for California ScholarShare529 since 2011

#### **Diane Brewer**

**Executive Director**

**Michigan Education Trust**

430 West Allegan Street, Lansing, MI 48933

517-241-2781

BrewerD1@michigan.gov

TFI has run 529 program management for Michigan Education Savings Plan since 2000 & Michigan Advisor Plan since 2017

#### **Tim Allen**

**Deputy Treasurer for Communications & Program Administration**

**Oklahoma State Treasury**

2300 North Lincoln Blvd., Room 217, Oklahoma City, OK 73105

405-522-4212

Tim.Allen@treasurer.ok.gov

TFI has run 529 program management for Oklahoma College Savings Plan since 2000



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

Tab F

## **Marketing and Outreach**

## TFI Marketing and Outreach

TFI's team includes a marketing organization with a successful 23-year track record of growing 529 college savings plans for our state partners coast-to-coast. Over this period, we have evolved from promoting education savings through traditional marketing media tactics like print advertising and mass media, to today's smart marketing, where TFI utilizes a data and technology-led marketing approach. Our approach is extremely effective for our state partners, because it helps us identify, engage and connect with the prospects and account owners who have a higher probability of being consumers of and contributors to DE529.

***\*Start Confidential\****

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

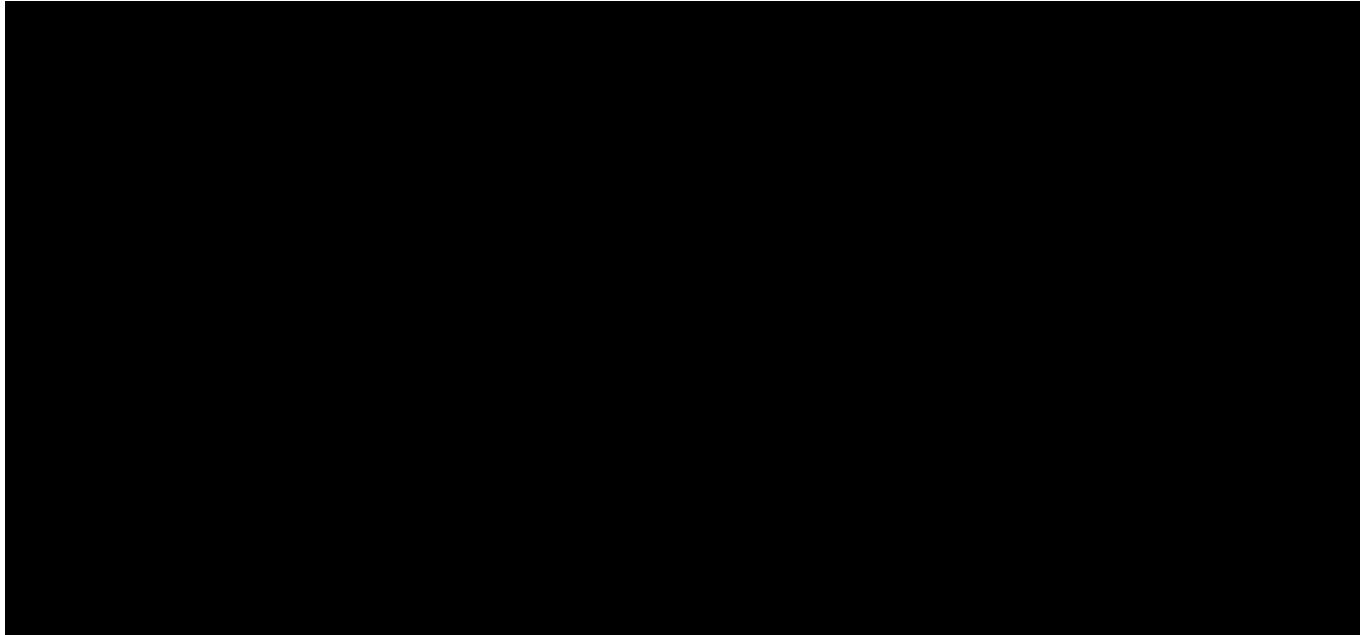
[REDACTED]

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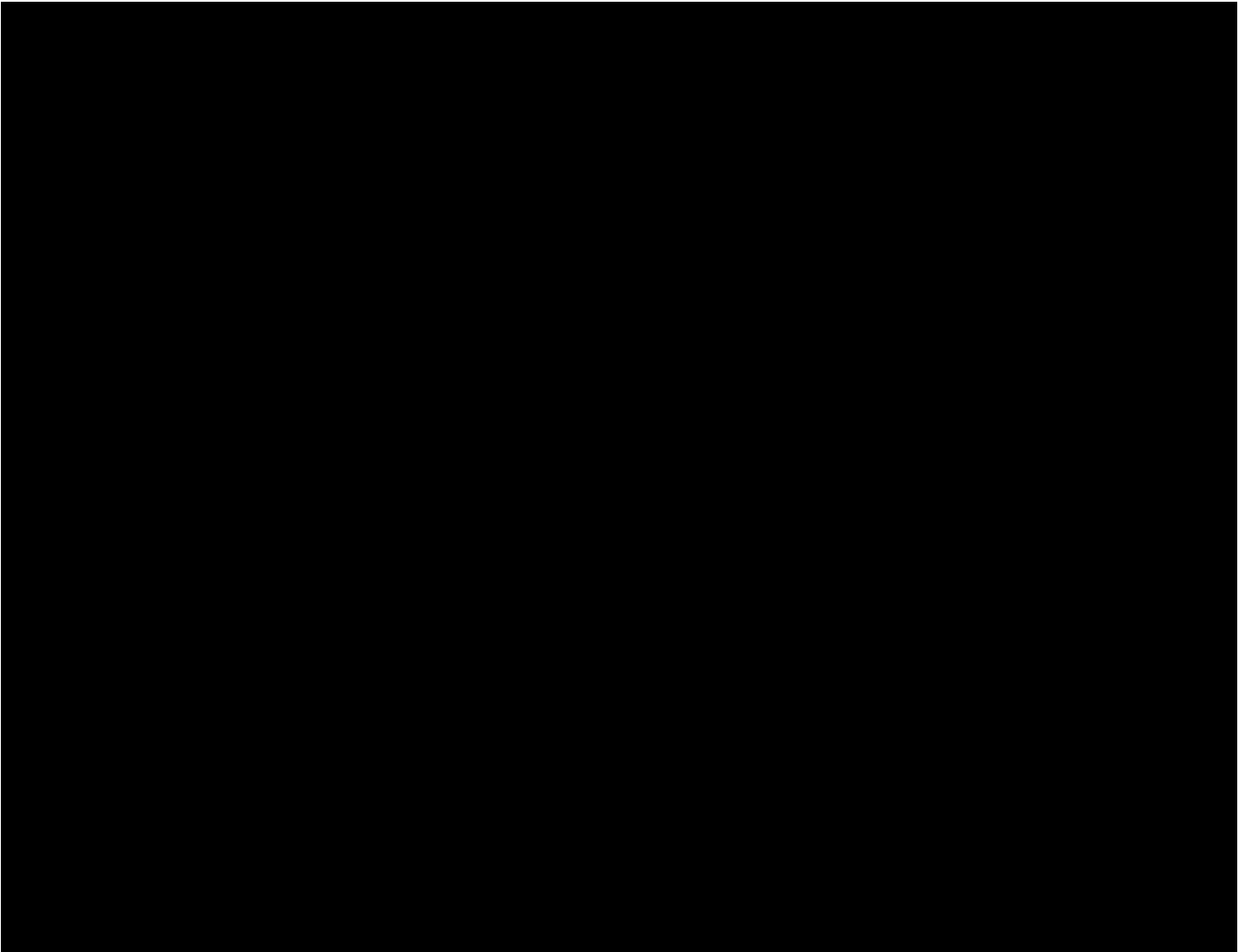
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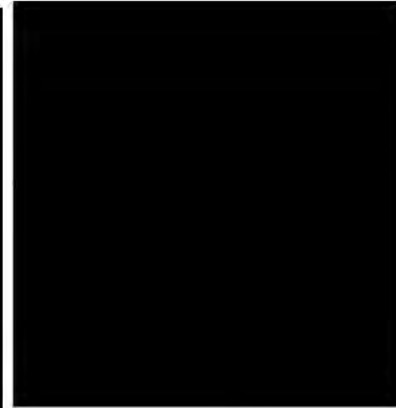
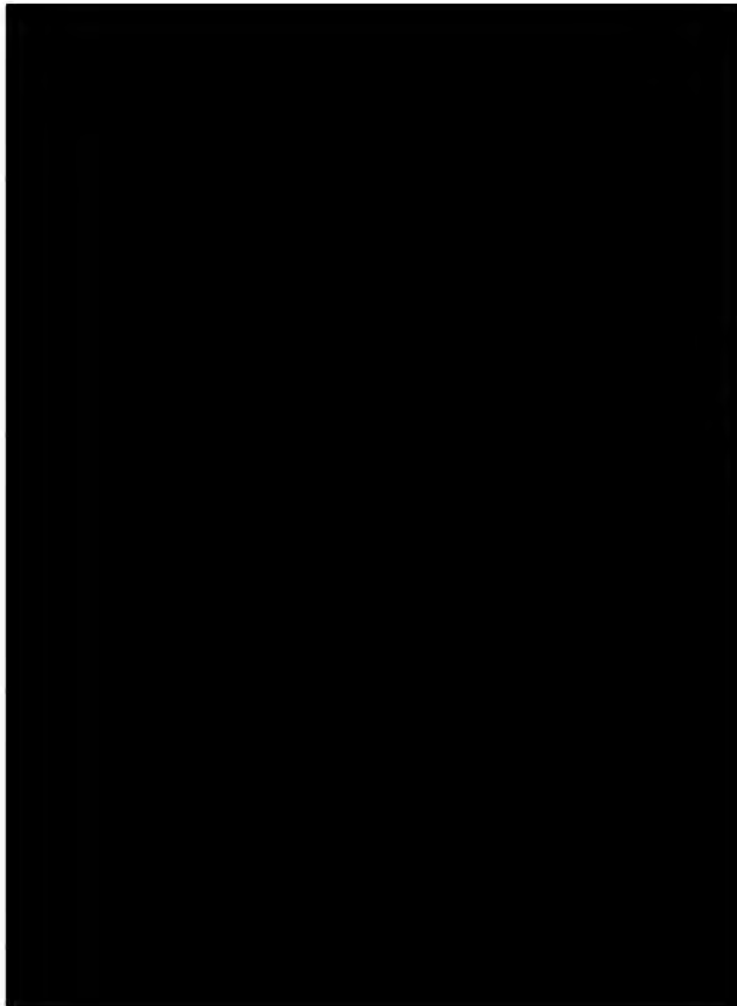
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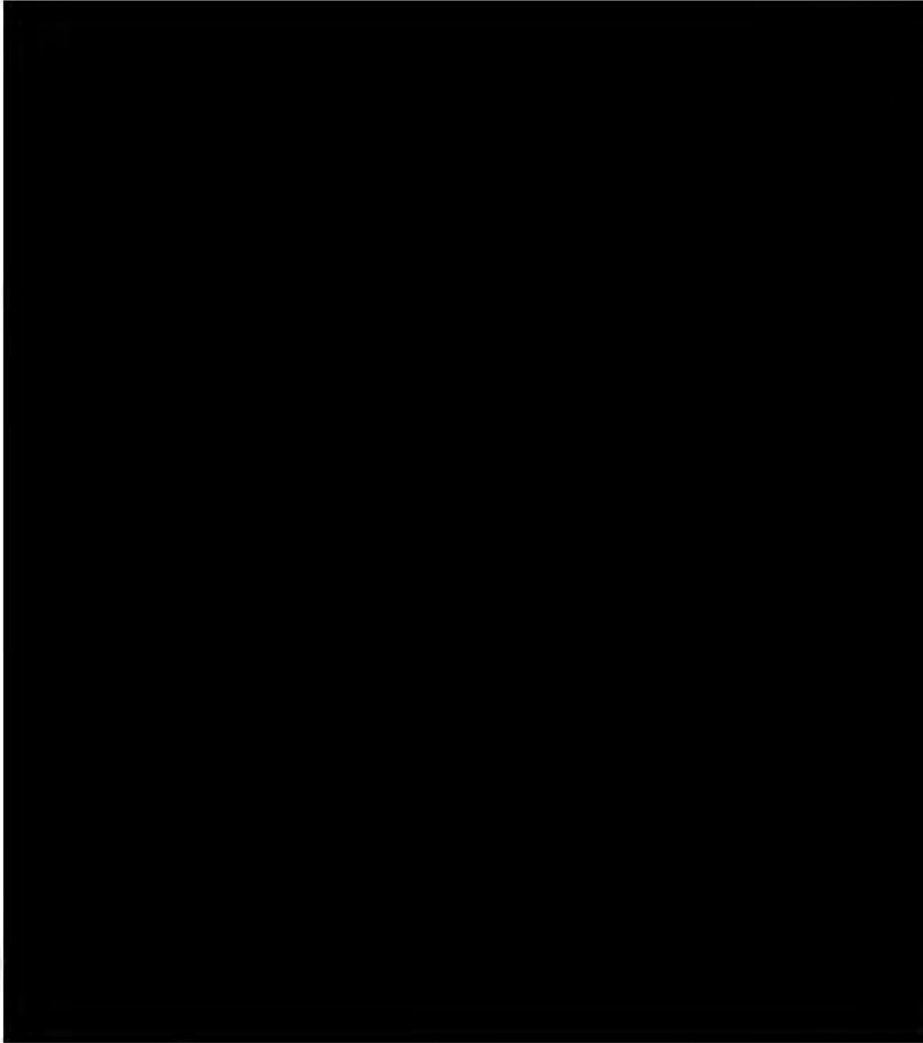


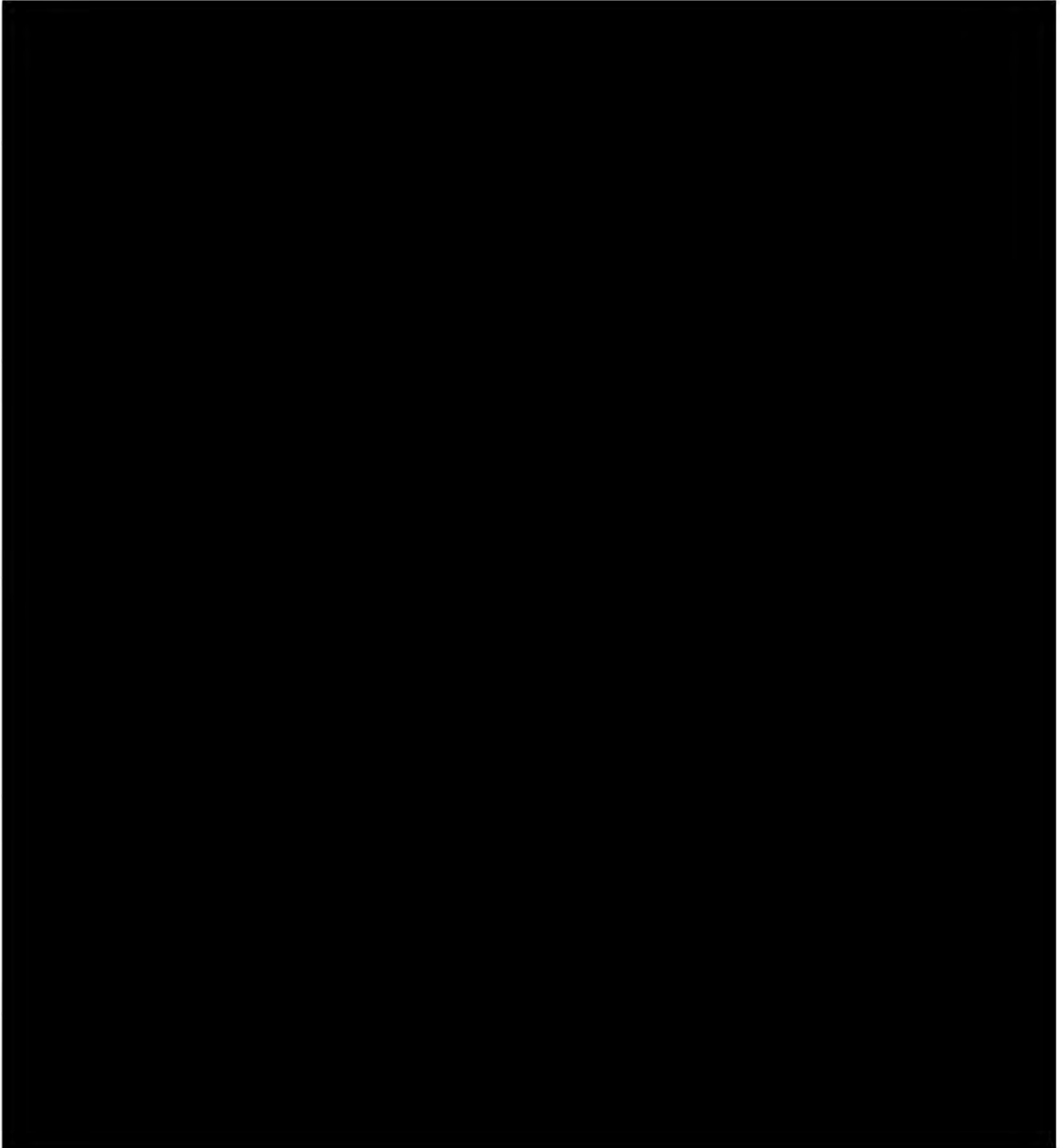
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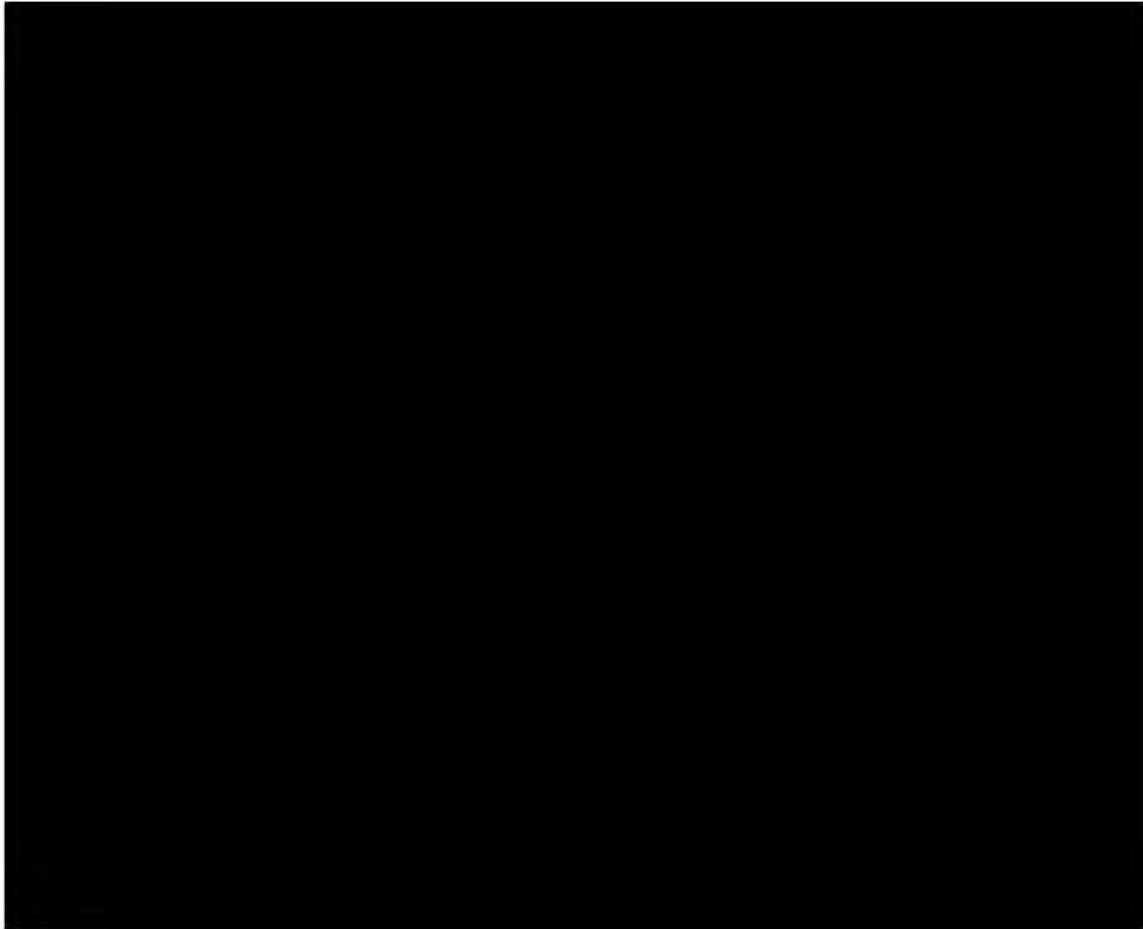




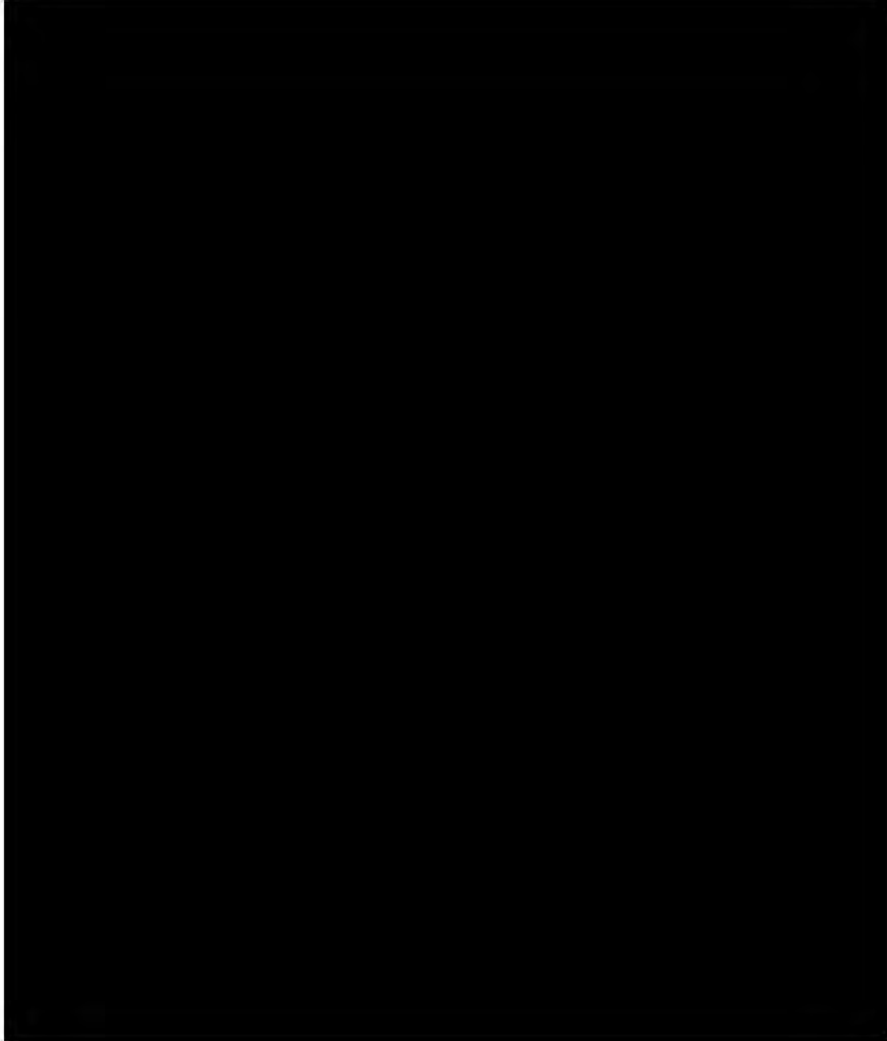




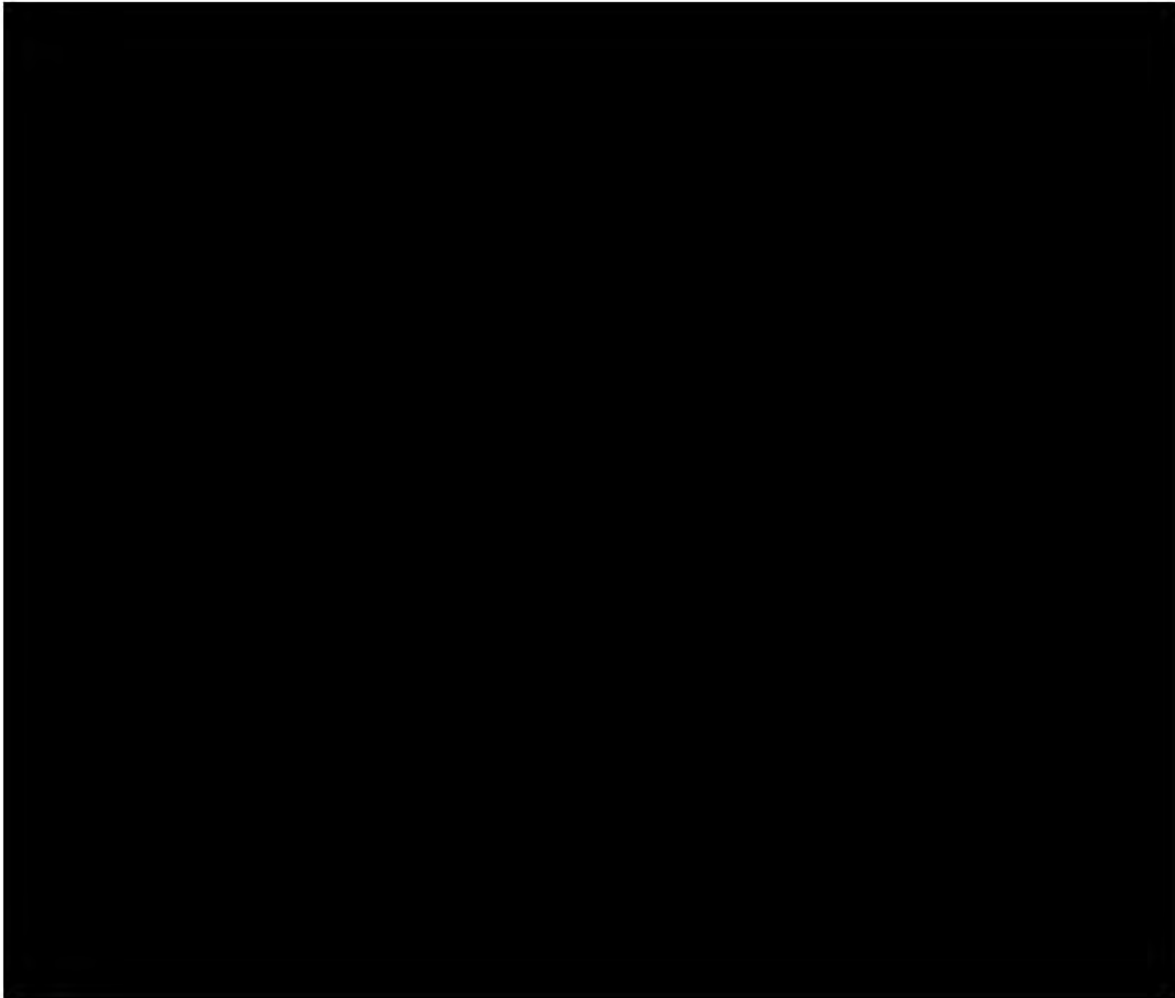




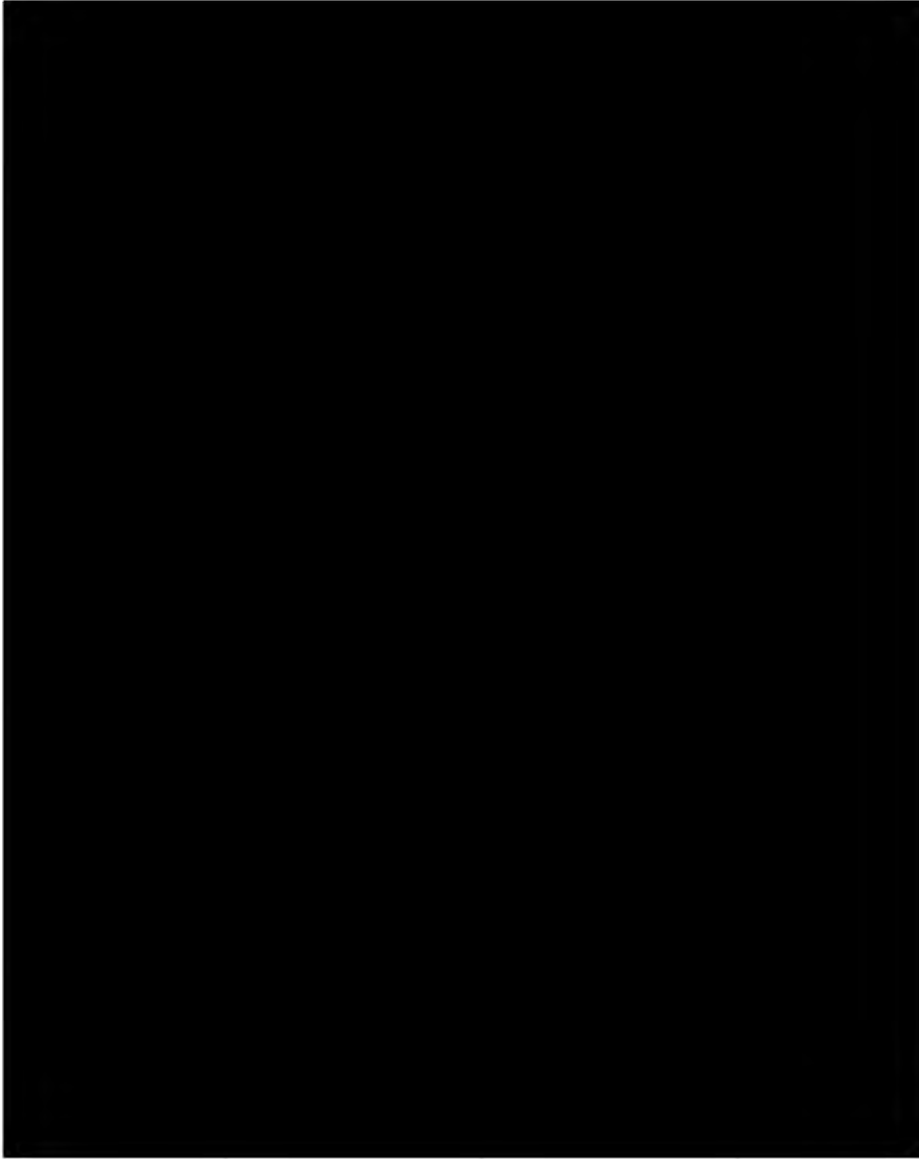
\*Details are for illustrative purposes.

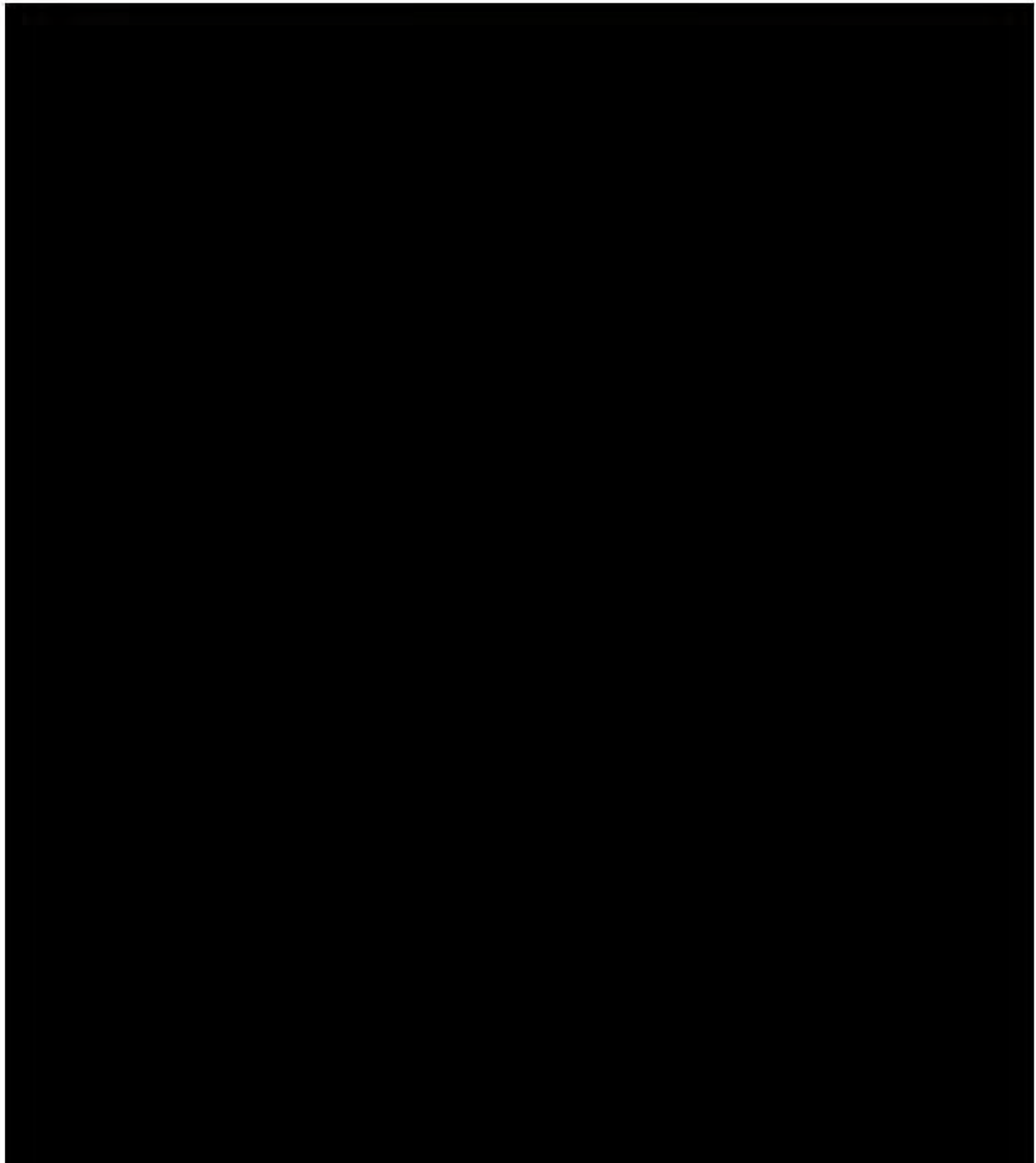


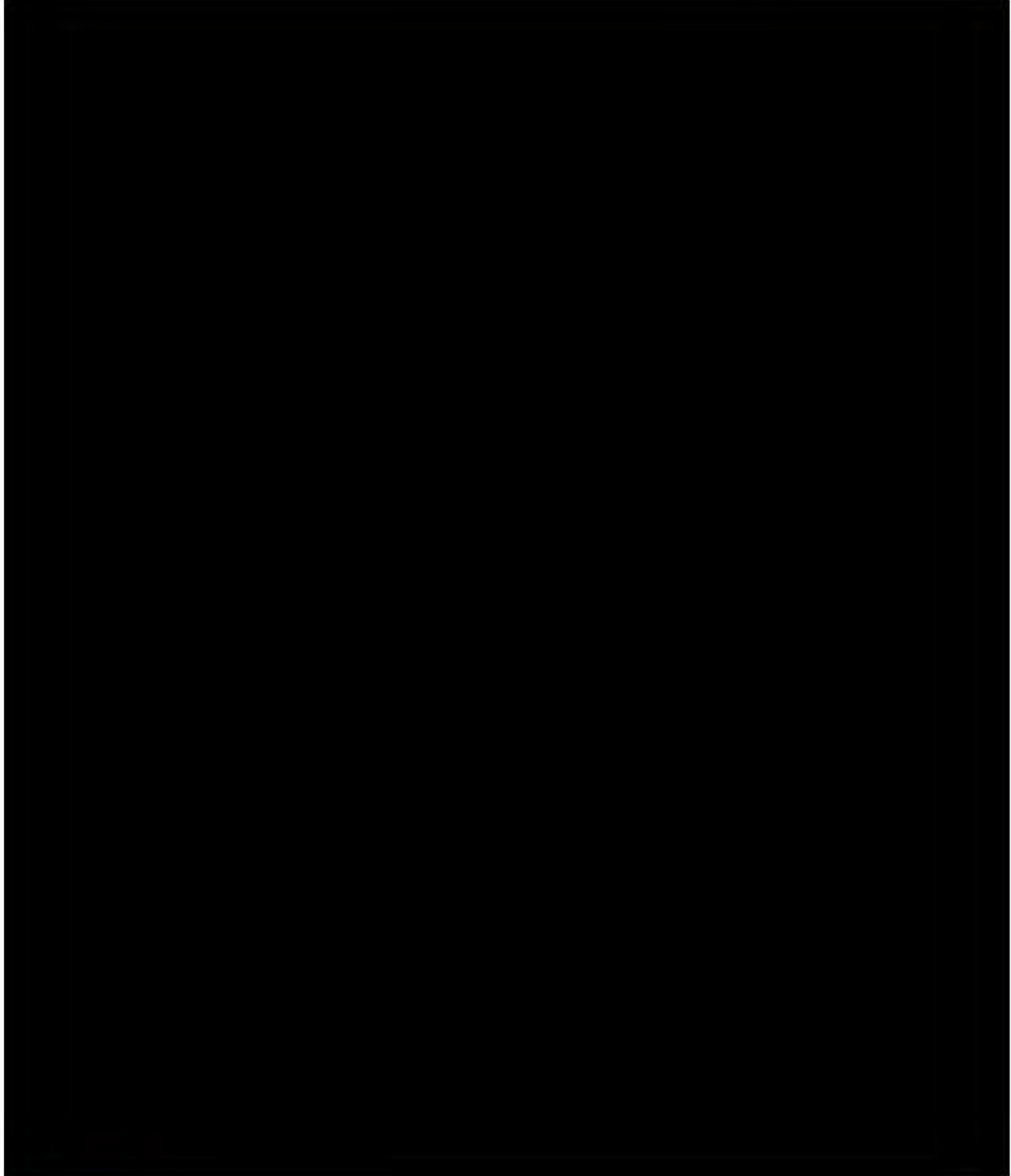
\*Details are for illustrative purposes.











*\*End Confidential\**



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

Tab G

# Education Savings Grant Programs

## Education Savings Grant Programs

*\*Start Confidential\**

[REDACTED]

[REDACTED]

[REDACTED]

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*\*End Confidential\**



DELAWARE STATE TREASURER  
**COLLEEN C. DAVIS**

# Tab H

## **Attachments**



## Christopher S. Lynch

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2419 Sherwood Avenue  
Charlotte, North Carolina 28207

Telephone: 704-988-6610  
Email: clynch@tiaa.org

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### Experience

#### 2016 – Present

##### **TIAA-CREF, Tuition Financing, Inc. (TFI)**

President

Charlotte, North Carolina

- Responsible for all aspects of business line performance including revenue generation, expense management and organizational structure
- Accountable for a business line managing over \$32b in assets across 1.3m customer accounts, supported by 45 professionals

#### 2012 – 2016

##### **TIAA-CREF, Tuition Financing, Inc. (TFI)**

Senior Director, Relationship Management

Charlotte, North Carolina

- Responsible for all aspects of client management including contractual compliance, client satisfaction and program growth across TFI's national portfolio of 11 state 529 programs
- Managed a geographically diversified team of five professionals that support our state 529 clients across the US

#### 2007 – 2012

##### **TIAA-CREF, Institutional Relationships**

Senior Managing Consultant, Institutional Relationships

Charlotte, North Carolina

- Managing Consultant for many of the largest and most strategically significant public higher education systems in the southeastern United States for TIAA-CREF; clients included the University of North Carolina ORP, the Tennessee ORP, and the State University System of Florida ORP; previously managed and successfully transitioned the Georgia ORP and University of Kentucky relationships
- Recognized expertise in leading integrated teams from Institutional Relationships, Individual Consulting, Marketing, Wealth Management and other areas to meet and exceed client and business level expectations

#### 2002 – 2007

##### **TIAA-CREF Tuition Financing, Inc. (TFI)**

Second Vice President, Regional Director

Charlotte, North Carolina

- Directly managed team of four State Program Managers in southern and western US and led these individuals towards both program-based sales goals and cost-reduction goals, based on program economics
- Span of management control also included Education Savings phone center managers in eastern and western US locations
- Extensive experience managing program-level P&L goals and the development and management of program-specific budgets

**1999 – 2002**

**TIAA-CREF, Tuition Financing, Inc. (TFI)**

*Director*

*New York, New York*

- Concentration on strategic planning, business modeling, RFP response and sales presentation efforts during TFI's early growth period
- Through close collaboration with both internal resources and potential clients, helped to create and then promote TFI's distinctive value proposition
- Led teams from Operations, Law, Compliance, Customer Support, Public Relations and Marketing to transition RFP wins into operational 529 programs

**1990 – 1999**

**TIAA-CREF**

*Retirement Services*

*Senior Consultant*

*New York, New York*

- Institutional Consultant for large segment priority pension institutions in Upstate New York Region for ERISA and non-ERISA plans including Cornell University, Cornell University Medical Center, Rochester Institute of Technology and a number of SUNY campuses
- Worked directly with all internal areas supporting annual business goals at priority institutions including Premium Administration, Operations and Marketing
- Extensive experience as a presenter to audiences of all sizes on TIAA-CREF products and services

**1987 – 1990**

**ABD-NY**

*NYSE Floor Clerk*

*New York, New York*

- Assisted trading floor brokers/specialists in the execution of trades
- Provided operational support for all floor trading activities

**Education**

- Washington and Lee University, 1987. Bachelor of Arts Degree

**Professional Licenses and Designations**

- Series 6, 63, 51
- Certified Employee Benefits Specialist (CEBS)

**Jeremy Thiessen**  
Portland, OR 97212  
jeremy.thiessen@tiaa.org  
503-265-3919

## EXPERIENCE

- 2014–Present    **TIAA-CREF, Portland, OR**  
Senior Director, Tuition Financing, Inc
- Responsible for leading the creation and delivery of asset allocation and program portfolio design recommendations to TFI state clients as well as for creating appropriate investment related offerings for prospective 529 clients in RFP and pre-RFP scenarios
  - Provide in-depth investment reviews and presentations to internal and external audiences including state clients, State Investment Boards, investment consulting firms, industry groups and internal audiences such as the asset allocation committee
- 2002–2014    **Pension Consulting Alliance, Inc., Portland, OR**  
*Managing Director*
- Independently built and led for PCA's defined contribution practice
  - Lead consultant for eight state 529 College Savings Plans totaling approximately \$40 billion in assets
  - Sourced and led additional project work for five state 529 College Savings Plans
  - Responsible for client interaction and board meeting attendance
  - Sourced and maintained new and potential client relationships including defined contribution plans, 529 College Savings Plans, State Treasurer Offices, Foundations and Endowments
- 1999–2002    **Columbia Housing, Inc., Portland, OR**  
*Senior Asset Manager*
- Responsible for analysis and monitoring of affordable housing tax credit properties throughout the US
  - Primary function was to monitor “workout” situations and distressed properties
  - Frequent on-site inspections of portfolio properties
- 1995-1999    **Farmers and Merchants Trust Company of Long Beach, Long Beach, CA**  
*Senior Trust Officer*
- Responsible for oversight of trust assets totaling approximately \$30 million
  - Included conservatorship of several portfolios

## EDUCATION

**College of Business Administration, California State University Long Beach,**  
Long Beach, CA  
Master of Business Administration, 1999

**Fresno Pacific College, Fresno, CA**  
Bachelor of Arts, 1992

## LICENSES

**Series 50 – MSRB Municipal Advisor Representative**  
Passed MSRB's Municipal Advisor Representative Qualification Exam, August 2017

**VIVIAN M. TSAI, CIMA® CPWA®**

510-907-2646  
vivian.tsai@tiaa.org

#### PROFESSIONAL EXPERIENCE

**TIAA, Oakland, California** 2014 to Present

**Senior Director, Head of Relationship Management, TIAA-CREF Tuition Financing, Inc. (TFI)** (2017 to Present)

- Member of Senior Management Team providing leadership and management in work with state clients for whom TFI serves as 529 plan program manager with more than \$31B in plan assets under management as of 9.30.2020
- Oversee the client-facing Relationship Management Team and work with clients and business partners to drive both state program growth and reduce contract risk
- Responsible for business line level strategy and planning, program development, and oversight over reporting, operational and regulatory support for all 529 plans

**Senior Director, Relationship Manager, TIAA-CREF Tuition Financing, Inc. (TFI)** (2014 to 2017)

- Developed and implemented strategy for the growth and program management of the award-winning ScholarShare 529 College Savings Plan on behalf of the State of California Treasurer's Office
- Managed institutional relationship and partnership initiatives with the State of California Treasurer's Office with a focus on California-based education savings business initiatives, the ScholarShare Investment Board, and state government relations
- Led eight-person team overseeing execution of program marketing strategy, product/brand marketing and sales distribution of ScholarShare 529 College Savings Plan

**BLACKROCK, San Francisco, California** 2005 to 2014

**Vice President, 529 Program Management, Institutional Asset Management** (2008 to 2014)

Product Development & Business Development  
Product Marketing & Management

**Business Development Associate, Institutional & RIA Sales, iShares** (2005 to 2008)

#### BOARD EXPERIENCE

Director, Board of Director, *Junior State of America Foundation* 2017 to Present

Chair, Executive Committee, *College Savings Foundation* 2011 to Present

#### EDUCATION, CERTIFICATIONS & LICENSES

**Bachelor of Science in Economics**

**University of Pennsylvania, Wharton School of Business**

Certified Investment Management Analyst (CIMA®) Certification

*University of Pennsylvania, Wharton School of Business*

Certified Private Wealth Advisor (CPWA®) Certification

*University of Chicago, Booth School of Business*

Certificate in Public Treasury Management

*Pepperdine University, Graziadio School of Business, National Institute of Public Finance*

FINRA Series 7, 66, 24 & 51 Licenses

#### LANGUAGE

Mandarin Chinese

**Lois A. Welsh**

2259 Ridgemont Drive Finksburg, MD 21048  
Cell (410) 340-3601 loiswelsh1@gmail.com

## SENIOR MARKETING LEADER

Accomplished professional with demonstrated business leadership and strategic marketing acumen. Executive with strong analytical, critical communication and relationship management skills. Dynamic leader with superior skill in coaching and mentoring people, instilling focus and discipline to leverage individual strengths, provide developmental opportunities and meet organizational directives. Exceptional ability to influence people, manage resources and motivate teams to achieve goals, increasing organizational revenue potential, raising brand awareness and ensuring tangible business success.

### KEY STRENGTHS:

- ☐ Strategic Business & Marketing Planning
- ☐ Client & Relationship Management
- ☐ Communication & Team Leadership
- ☐ Partnership & Agency Management
- ☐ Customer Experience & Segment Analysis
- ☐ Product Research & Development
- ☐ Analytics & Insight Formation
- ☐ Coaching & Mentoring

## EXPERIENCE & ACCOMPLISHMENTS

### TIAA

2015 – present

#### **Head of Marketing, Education Savings (2020 – present)**

Leads marketing strategy for \$34B in 529 plans managed by TIAA. Drives business goals and growth objectives through smart, actionable and innovative strategies. Responsible for the team of marketing professionals and marketing agencies. Accountable for plan growth and optimization of a \$20MM budget.

#### **Senior Director, Marketing, Education Savings (2015 – 2020)**

Drove holistic and strategic marketing view across all 529 plans, creating effective and efficient marketing strategies, leveraging learnings and championing opportunities.

#### *Achievements:*

- ☐ Developed and launched the overarching marketing program to drive growth through targeted, data-driven prospecting and relevant account owner communication. Efforts contributed to 24% program contribution growth and 17% new account growth.
- ☐ Led and managed strategic agency relationship for a \$10MM relationship. Drove innovation, prioritized all resources, and managed cost reduction and efficiency gain annually.

### T. Rowe Price

2000 – 2015

#### **Vice President, Relationship Management, College Products (2013 – 2015)**

Managed client relationships for \$6B portfolio of direct sold 529 Plans. Drove overarching strategic plan, aligning internal partners and managing resources in matrix organization. Responsible for attaining a 90% client satisfaction rating from clients. Planned and led client meetings, investment reviews and legal updates.

#### *Achievements:*

- ☐ Advanced 529 product presence across the firm. Drove 529 business goals and collaborated with marketing, technology and operations to improve the 529 product and investor experiences.
- ☐ Led development of various product and service enhancements to ensure competitiveness, drove digital engagement and met client goals.
- ☐ Created 529 policies and advocated client perspective within the firm while balancing operational efficiency and effectiveness of internal partners. Directed regulatory and product compliance.



## Lois A. Welsh

Page 2

### **Vice President, Individual Retirement Products (2007 – 2013)**

Led individual retirement products group accounting for 50% of sales and assets of division. Drove product strategy through research, customer behavior analysis and market understanding. Provided product expertise used to develop communications, product offerings and service enhancements. Managed marketing research and agency relationships throughout project and strategy engagements.

#### *Achievements:*

- Spearheaded segment research determining values, needs and behavior of newly prioritized “Up & Comer” investor segment, developing actionable strategies through learning and research analysis.
- Co-led team that drove 37% asset retention between retirement plan services and retail divisions; improved rollover retention by impactful 3% through analysis and program focus.
- Enhanced experience and service offering through strategic development and launch of 1:1 retirement consultations targeting individual investor needs both inside and outside the employer-sponsored plans.
- Researched pre-retiree segment to develop and position cross firm retirement income solutions.

### **Vice President, College Products (2001 – 2007)**

Led marketing team for Morningstar top-ranked direct sold 529 business since launch. Drove efficient, effective spend of \$3MM annual budget. Created marketing strategy and developed all marketing collateral including websites, promotional kits, communications, value added marketing programs and market research. Drove analytics and articulated key learnings about college investor segment. Managed agency relationships.

#### *Achievements:*

- Achieved asset growth of \$2.5B for Morningstar top-ranked direct sold 529 business. Reached and maintained a 90%+ client satisfaction rating each year.
- Managed a broad range of marketing, advertising and research agency relationships from development through execution. Managed contract, budget and engagements with partner agencies.
- Analyzed cross state opportunities for the 529 plans. Developed and launched state-specific marketing outreach and partnerships based on 529 plan competitiveness.
- Improved understanding of 529 investor segments through development of behavioral and demographic profile. Gained understanding of advisor and direct sold opportunity and market outlook.

### **Marketing Manager, Internet Services (2000 – 2001)**

Evaluated and developed new web experiences and content based on needs of the individual investor.

#### *Achievements:*

- Developed exacting metrics reports to accurately determine traffic and effectively analyze behavior.
- Launched various digital functionality enhancements driven by customer feedback and need.

## **EDUCATION**

**Master of Business Administration**, Darden Graduate School of Business Administration, University of Virginia, Charlottesville, VA

**Bachelor of Science in Business Administration**, Miami University, Oxford, OH

## **COMMUNITY**

**Salvation Army - Advisory Board, Carroll County, MD**

**2009 – 2015**

Developed fundraising programs to impact needs in Carroll County with focus on food programs.

**Girls On The Run – Assistant Coach, Sandymount Elementary School**

**2015 – 2018**

Coached 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> grade girls to complete a 5K while building confidence, teamwork and friendship.

**Beaver Creek Neighborhood Food Drive Lead - Finksburg, MD**

**2018 – present**

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**BERNARD J. McCROSSAN**

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1604 Seattle Slew Court • Waxhaw, NC 28173 • (980) 333-5403 (c) • berniemccrossan@gmail.com

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**PROFESSIONAL EXPERIENCE**

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**TIAA**

**June 2013 – Present**

**Senior Director, Head of Operations, TIAA-CREF Tuition Financing Inc., Charlotte, NC**

- Chief operations officer responsible for the development, delivery and administration of state direct and advisor sold 529 College Savings Plans with over \$30bn in assets and 1.3mn individual accounts. Manage a team of 14 individuals responsible for activities including record keeping, custody, accounting, digital, phone servicing, reporting, print and pricing activities.
- Responsible for the transformation of TFI's operational model driving service improvements and efficiency gains, resulting in elevated customer experience and client satisfaction.
- Responsible for oversight and management of strategic vendors including recordkeeping and custodial relationships. Led RFP selection process and responsible for execution of large scale transition of provider.
- Lead implementation of upgraded digital platform with focus on improving the customer experience, driving growth and improving customer experience.
- Build infrastructure and control environment to ensure compliance with MSRB and FINRA mandated regulatory requirements.
- Develop management reporting focused on operational efficiency and performance of the business.

**State Street Corporation**

**July 2006 – May 2013**

**Vice President, Account Executive, Global Relationship Management, State Street Bank & Trust, Boston, MA**

- Member of select team accountable for the overall organizational satisfaction for the corporation's elite, multi-national, multi-jurisdictional customers. Interact at the C-suite level.
- Responsible for the creation, maintenance and communication of an enterprise-wide service strategy, ensuring alignment with customer's goals and objectives. Facilitated internal communication across multiple business lines, product groups and geographies to produce consistent results maximizing customer satisfaction, retention and revenue opportunities.
- Drove critical, strategic initiatives focusing on client impact through the creation of clear accountability and ownership throughout the organization. Fostered collaboration through communication and education.
- Identified and cultivated sales leads by recognizing opportunities to introduce ancillary products and services to customer's core servicing.
- Responsible for oversight of customer's global P&L's, identifying opportunities for growth and/or areas of concern.
- Implemented and employed tools/metrics to measure client satisfaction and assess overall impact of service strategies.
- Selected to fill role of Chairman, State Street United Way Campaign 2009. Devised and successfully implemented an integrated campaign strategy leading a team of over 50 employees from 16 State Street locations across North America. Achieved goal of raising over \$2.2 million which resulted in State Street being the largest corporate contributor to the United Way of Mass Bay and Merrimack Valley.

**March 2004 – June 2006**

**Vice President, Senior Business Lead, Investor Services (IS), State Street Bank GmbH, Frankfurt, Germany**

- Business lead selected to head successful integration of a large continental European based organization acquired in 2003. The acquisition was recognized as one of the largest and most complex in the industry.
- Contributed to the corporation's strategic goals in continental Europe by developing efficient operating models designed to support both new and existing customer growth.
- Directed resources responsible for operational, technical and human resource streams associated with the integration of 250 employees servicing 1300 funds worth approximately \$350 billion in assets.
- Responsible for business planning, goal setting and budgeting activities.



**May 2001 – March 2004**

***Vice President, Head of Operations/Relationship Manager, Institutional Investor Services (IIS), State Street California, Inc., Alameda, CA***

- Managed a staff of 70 responsible for the administration of investment services to 21 public pension fund clients with over \$300 billion in assets under custody.
- Responsible for the implementation and adherence to corporate controls and procedures resulting in favorable examination ratings from federal regulators and internal auditors.
- Relationship Manager for seven public pension plans with an emphasis on revenue growth and retention.

**Dec. 2000 – May 2001**

***Vice President, Head of Andover, State Street Fund Services (SSFS), State Street Bank & Trust, Hampshire, England***

- Selected as site manager for newly acquired office of 65 staff in Hampshire, England who were part of outsourcing contract signed with a large UK-based investment manager. Promoted State Street culture in an effort to retain experienced individuals.
- Initiated process of incorporating State Street's best practices, controls and procedures with the goal of achieving consistency across State Street's UK operations.

**May 1999 – Dec. 2000**

***Vice President, State Street Fund Services (SSFS), State Street Bank & Trust, London, England***

- Served as Relationship Manager and Unit Head, overseeing a staff of 51 responsible for the daily servicing of six UK-based clients. Part of management team that reorganized the department, improving client service by evaluating and recruiting skilled employees and implementing change.
- Participated in internal "deal team" meetings, supervising the production of Service Level Agreements and the review of fee schedules for existing clients and new business prospects.

**Sept. 1998 – May 1999**

***Assistant Vice President, Global Investors Services Group (GISG), State Street Bank & Trust, Boston, MA***

- Selected to participate in State Street's International Management Training Program in preparation for transition to the London, UK office.
- Assisted in the management of a client service team responsible for providing custody, accounting and administrative services to the Corporation's investment management line of business.

**Brown Brothers Harriman & Co., Boston, MA**

**Sept. 1997 – Sept. 1998**

***Network Management Officer***

- Responsible for management of the bank's subcustodian network in the Middle East, sub-Saharan Africa and India. Educated colleagues and clients on local market practice through seminars and presentations.
- Conducted due diligence trips to sub-Saharan Africa to assess operational and financial risk in emerging markets.

***Operations Officer/Supervisor***

**Sept. 1994 – Sept. 1997**

- Managed a client service team responsible for administering custody services to one of the bank's signature clients, with a focus on mitigating operational risk and financial loss.
- Developed expertise in international trade settlement practices. Selected to travel to Bombay, India on behalf of clients invested in the Indian market to resolve outstanding issues associated with local settlement practices.

***Portfolio Administrator***

**March 1992 – Sept. 1994**

- Member of a dedicated team focused on providing custody services to mutual fund clients.

**Chase Manhattan Bank, New York, NY**

**July 1990 – Feb. 1992**

***Account Administrator***

- Provided daily administrative services to a large corporate pension fund.

## **EDUCATION**

**M.B.A.** Suffolk University, Boston, MA  
**B.A.** St. Anselm College, Manchester, NH

## **ADDITIONAL INFORMATION**

**Licenses:** FINRA Series 26, 6 and 63

**Kerry Alexander**  
Oklahoma City, Oklahoma  
kalexander@tiaa.org  
405.850.0845

**Senior Director, TIAA-CREF Tuition Financing, Inc. (TFI)** (2002 to Present)

- Member of relationship management team that works with state clients for whom TFI serves as 529 plan program manager
- Responsibilities include overseeing state 529 relationships for assigned states, working with clients and business partners to drive state program growth, program development, oversight of reporting, operational and regulatory support for assigned state plans, and reduce contract risk. Additional responsibilities include developing and implementing strategy for the growth and program management of assigned states, managing institutional relationship and partnership initiatives in coordination with the TFI marketing lead and the state sponsor
- Relationship management lead for the successful conversion and re-launch of the Wisconsin and Oregon 529 programs following 529 RFP awards of program management duties to TFI
- Currently managing relationships with Connecticut and Oklahoma. Previously managed relationships with the state 529 plans in Wisconsin, Oregon, Mississippi and Minnesota

**Director of Legislation, Public Policy and Communications, Office of State Treasurer Robert Butkin** (2000 – 02)

Responsible for overseeing the creation and launch of the Oklahoma 529 College Savings Plan, coordination with board members and elected officials, development of legislative strategies, selection of program manager and launch of program. Additionally, responsible for developing and executing communication strategies for the State Treasurer, coordinating legislative activities impacting the Office and overseeing public policy initiatives

**Assistant Attorney General, State of Missouri** (1999 – 2000)

Assisted the Missouri Attorney General in enforcing Missouri statutes, governmental entity oversight and counseling state agencies regarding Missouri law

**Campaign Manager, Robert Butkin for State Treasurer** (1998)

Managed the successful campaign for State Treasurer Robert Butkin. Duties included developing and executing campaign strategy, oversight of volunteers, budgeting and media relations

**Private Law Practice** (1989 – 98)

Complex civil litigation practice with firms in Dallas, Texas, Santa Barbara and San Diego California. Member of the State Bar Associations of California, Missouri, Oklahoma and Texas

**Legislative Aide, United States Senator David L. Boren** (1987 – 89)

- Served on the Washington, D.C. staff. Responsibilities included research and recommendations related to Senator Boren's duties on the Senate Finance Committee as well as constituent communications for issues related to finance

**MISCELLANEOUS**

**SEED for Oklahoma Kids (SEED OK)** (2007 – 08)

Member of the Oklahoma College Savings Task Force, appointed by the Governor, Treasurer and State Legislature to study the educational needs of under-represented populations and make recommendations regarding corrective actions. The recommendations of the task force resulted in the creation of SEED OK.

**Remember the Ten Run, Founder and Chair** (2005 – present)

Creator and chair of an annual charity run that honors the ten players and staff of the Oklahoma State University men's basketball team that died in a 2001 plane crash. Over \$500,000 has been raised for grants and scholarships benefiting Oklahoma State University Counseling during the first 15 years of this annual event.

## JENNIFER BURKE

734-626-1649  
Trenton, MI 48183

### BRANDING STRATEGIES/PRODUCT MARKETING/CAMPAIGNS/ACCOUNT GROWTH

With over 25 years of experience in marketing in the B2B and B2C field, Jennifer joined TIAA in 2012 and has been the Senior Marketing Manager dedicated to the Michigan Education Savings Program ever since. Jennifer is responsible for the development and execution of the overall marketing strategy for MESP, balancing budget management with brand efficacy.

**Respected marketing executive** with 25+ years of experience in B2C and B2B marketing, global branding, customer acquisition, and marketing operations in the entertainment and financial services industries.

**Strategic thinker with the business acumen and zeal** to drive branding missions that deliver market leadership, rapid growth, measurable results, and strong ROI.

**Creative, adaptable, focused leader** with the experience to transform stagnant marketing functions into fully functioning departments that deliver results by engaging customers and tapping into their insights.

**Performance accelerator** with a passion for **improving operations** and motivating teams to perform at high levels of excellence.

### EXPERIENCE

#### SENIOR MARKETING MANAGER, [TIAA Financial Solutions](#)

2012 – PRESENT

Develop and execute go-to-market strategies to position Michigan Education Savings Program (MESP) as a trusted brand and community partner. Rebuild product brand and gain market share. Direct and manage annual marketing budget.

#### Selected Accomplishments:

- **Brand Management:** Transformed marketing approach to better connect with the community by establishing partnerships with Kroger, Red Wings, Detroit Lions, and Metro Parent Magazine.
- **Marketing Strategy:** Refocused marketing strategy to remove barriers and connect with customers by expanding messaging from solely product benefits to relationship building and visibility.
- **Account Growth:** Launched savings campaign using television, printed media, and digital assets to communicate college savings plan options resulting in an increase in plan contributions.

#### TROIKA ENTERTAINMENT, LLC

1998 – 2011

#### CHIEF STRATEGY OFFICER, 2005 – 2011

- Created and executed strategic marketing initiatives in support of a Broadway tour with up to 300 employees and 5–8 national tours per year.
- Negotiated and closed touring contracts with booking agencies which included finalizing ticket pricing, defining the advertising budget, and outlining expenses to ensure optimal ROI performance.
- Defined and launched key marketing initiatives including television, radio, and print media to increase tickets sales and promote performers, resulting in \$30M in annual revenue.
- Developed television and radio commercials, photo shoots, b-roll shoots, and built press kits, promotional materials, and publicity ideas for multiple touring productions.

## JENNIFER BURKE

## PAGE 2

(734) 626-1649

### MARKETING DIRECTOR, 1998 – 2005

- Developed television and radio commercials, photo shoots, b-roll, and built press kits, promotional materials, and publicity ideas for multiple touring productions.
- Led multiple national advertising campaigns and arranged publicity appearances for key performers.

### TECHNOLOGY PORTFOLIO

Google Keywords	Survey Monkey	Facebook Branded Pages	Microsoft Word, Excel, PowerPoint
Google Analytics	Skype	YouTube	SharePoint, Photoshop, Snagit
Adobe Analytics	WebEx	Instagram	iPhoto, Tableau, Dropbox
Mail Chimp	Go-to-Meeting	Pinterest	Google Docs, Drive, Gmail

### LICENSES AND EDUCATION

- **Series 6 and 63 Licenses, State of Michigan, Current**
- **Bachelor of Science in Psychology, Madonna University, Livonia, MI, 1993**
- **Certificate in Applied Mental Health, Madonna University, Livonia, MI, 1993**

### AFFILIATIONS

- **Active Supporter, Fostering Futures Scholarship Fund, 2012 – Present**
- **Member – Communications Committee, The College Savings Plan Network, 2013 – Present**
- **Fundraiser – Oakland Junior Grizzlies 501c3**

## Linda J. English

Fresno, California  
907-322-3687 cell  
ljenglish64@gmail.com  
[www.linkedin.com/in/englishlinda](http://www.linkedin.com/in/englishlinda)

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### SUMMARY

Results driven professional and expert in the field of Section 529 savings plan administration dedicated to building teams to bring high-quality programs to market while ensuring operational efficiency. Executive recognized as an innovator in the college savings space.

### EXECUTIVE CORE COMPETENCIES

- 529 Program Administration
- Cross-Functional Team Management
- Consensus Building
- Complex Problem Solving
- Strategic Planning
- Staff Motivation and Development
- Project Management
- Public Speaking and Group Facilitation
- Policy Analysis and Improvement
- Relationship Management

### PROFESSIONAL EXPERIENCE

#### Senior Director, Relationship Management

**TIAA-CREF Tuition Financing Inc., Oakland, CA**

**2017 – Present**

Relationship manager and key contact for the ScholarShare Investment Board to administer the state's Section 529 college savings plan, ScholarShare 529. Serve as the day-to-day contact and contract administrator for ScholarShare 529.

#### Senior Deputy State Treasurer - South

**Nevada Office of the State Treasurer, Las Vegas, NV**

**2012 – 2017**

Successfully led, directed, planned, evaluated and administered the state's Section 529 College Savings Program with assets under management of nearly \$17 billion; implemented and managed the state's Section 529A ABLE program; led and directed efforts to establish and administer the Nevada College Kick Start Program which is the first statewide, automatic, universal children's savings account program in the country. Administered the Gov. Guinn Millennium Scholarship Program, distributing approximately \$25 million annually in merit-based aid statewide.

#### Executive Director, UA College Savings and UA Scholars Programs

**University of Alaska, Fairbanks, AK**

**1996 – 2012**

Led, directed, planned and managed Alaska's 529 college savings program and statewide merit scholarship program – the UA Scholars Program. Lead contract administrator for the university in its agreement with the 529 program manager, T. Rowe Price, and distributor John Hancock Financial. Converted prepaid tuition plan to a savings plan; negotiated contract and implemented accounting and reporting processes. Served as advisor to the University President, Chancellors, and Associate Vice President for Student and Enrollment Services on all issues related to college savings and the UA Scholars program and related funding.

## EDUCATION & TRAINING

### Education

University of Alaska Fairbanks, Bachelor of Business Administration, Fairbanks, Alaska

### Professional Licenses

Series 6 (Investment Company, Products/Variable Contracts Representative)

Series 63 (Uniform Securities State Law Exam)

## PROFESSIONAL AFFILIATIONS

### College Savings Plans Network, an affiliate of the National Association of State Treasurers

Associate Member (1996 to Present)

Member, Executive Board (2015 to 2017)

## SPEAKING ENGAGEMENTS

### All Children Can Reach Their Potential: A Child Development Account Conference, St. Louis, MO

July 16, 2020, Co-Moderator

Topic: The Importance of Partnerships in CDA Success

### Child Development Account Forum, St. Louis, MO

July 25, 2018, Speaker

Topic: A Program Manager's Perspective: Lessons for CDA Programs

### Strategic Insight 529 Conference, Orlando, FL

September 12–14, 2016, Speaker

Topic: Corporate 529s: Building Momentum for an Effective Employee Benefit Strategy

### C. S. Mott Foundation State Assets Coalition Cluster Convening, Seattle, WA

June 11–13, 2014, Speaker

Topic: Children's Savings Account Initiatives, Lessons from the Field

### College Savings Plans Network Management Treasury Symposium, Orlando, FL

May 13–16, 2014, Session Moderator and Speaker

Topic: Children's Savings Accounts – Nevada College Kick Start Program

### CFED Children's Savings Conference, Washington, DC

April 28–30 2014, Speaker

Topic: Cultivating a Children's Savings Marketplace: Perspectives on Designing and Scaling Products



# Quarterly Investment Report

4th Quarter, 2020

Sample

BUILT TO PERFORM.

TO SERVE.

**For Institutional client use only. Not for distribution.**

Before investing in DE529, you should consider the investment objectives, risks, charges, and expenses. The information contained in this report is subject to further change and amendments over time. Some changes may occur due to the result of adjustments. For a prospectus containing this and other information, as well as a Participant Agreement and Disclosure Statement, please call 1-800-xxx-xxxx or view it online at [www.xxx](http://www.xxx). Please read these documents carefully before investing.

TIAA-CREF Tuition Financing, Inc., Program Manager. TIAA-CREF Individual & Institutional Services, LLC, member FINRA and SIPC, distributor and underwriter for DE529.





# Market Overview: Q4 2020



## Key Themes

- The same economic and political themes that persisted much of the year continued in the fourth quarter. We saw uneasy international relations and uncertainty regarding international trade; however, there was optimism around the potential for a Phase I trade deal with China.

## Equities

- Ten of eleven U.S. equity sectors had positive results. Information Technology had the highest return, returning 14.40% for the quarter, while Real Estate lagged, falling 15.4%. Non-U.S. developed and emerging markets both had a strong showing, with EM outperforming most other markets.

## Fixed Income

- At the December FOMC meeting, the Federal Reserve Board maintained the current level for its benchmark fed funds rate. The statement released from Chair Powell struck a dovish tone by emphasizing that the Fed has no plans to re-raise interest rates in the near term, stating that monetary policy is "appropriate to sustain the current expansion." Fixed income yields rose for the quarter but had little reaction to this news.

Past performance is not indicative of future results. You can not invest directly in an index. U.S. Equities – Russell 3000 Index; U.S. Growth Stocks – Russell 1000 Growth Index; U.S. Value Stocks – Russell 1000 Value Index; U.S. Mid Cap Stocks – Russell Midcap Index; U.S. Small-Cap Stocks – Russell 2000 Index; International Developed Markets – MSCI EAFE Index; Emerging Markets – MSCI Emerging Markets Index; Real Estate Stocks – FTSE NAREIT All Equity REITS Index; U.S. Investment Grade Bonds – Bloomberg Barclays U.S. Aggregate Bond Index; Long-dated Bonds – Bloomberg Barclays U.S. Government/Credit Long Index; Inflation-Linked Bonds – Bloomberg Barclays TIPS 1-10 Years Index; High Yield Bonds – BofA Merrill Lynch BB/B Cash Pay Index; Commodities – Bloomberg Commodity Index; Cash – Bloomberg Barclays U.S. 3 month Treasury Billweathers Index C34631

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Asset Class	3 Month	1 Year	3 Year	5 Year
U.S. Equities	9.10	31.02	14.57	11.24
U.S. Growth Stocks	10.62	36.39	20.49	14.63
U.S. Value Stocks	7.41	26.54	9.68	8.29
U.S. Mid-Cap Stocks	7.06	30.54	12.06	9.33
U.S. Small-Cap Stocks	9.94	25.52	8.59	8.23
Int'l Developed Stocks	8.17	22.01	9.56	5.67
Emerging Markets Stocks	11.84	18.42	11.57	5.61
Real Estate Stocks	-0.15	28.66	10.29	8.43
U.S. Investment Grade Bonds		8.72	4.03	3.05
Long-dated Bonds	-1.17	19.59	8.07	5.42
Inflation-Linked Bonds	1.00	6.85	2.79	2.36
High Yield Bonds	2.57	15.09	6.44	6.11
Commodities	4.42	7.69	-0.94	-3.92
Cash	0.47	2.30	1.68	1.09

## Annualized Tuition Inflation Ending as of 2019-2020 Academic Year\* (%)

Educational Institution	1 Year	3 Year	5 Year
National Average Public 4-Year In-state	2.25	2.59	2.67
National Average Private Nonprofit 4-Year	3.36	3.26	3.35
Delaware Public 4-Year In-state	2.41	3.34	3.49
Consumer Price Index, December 2019	2.29	2.10	1.82

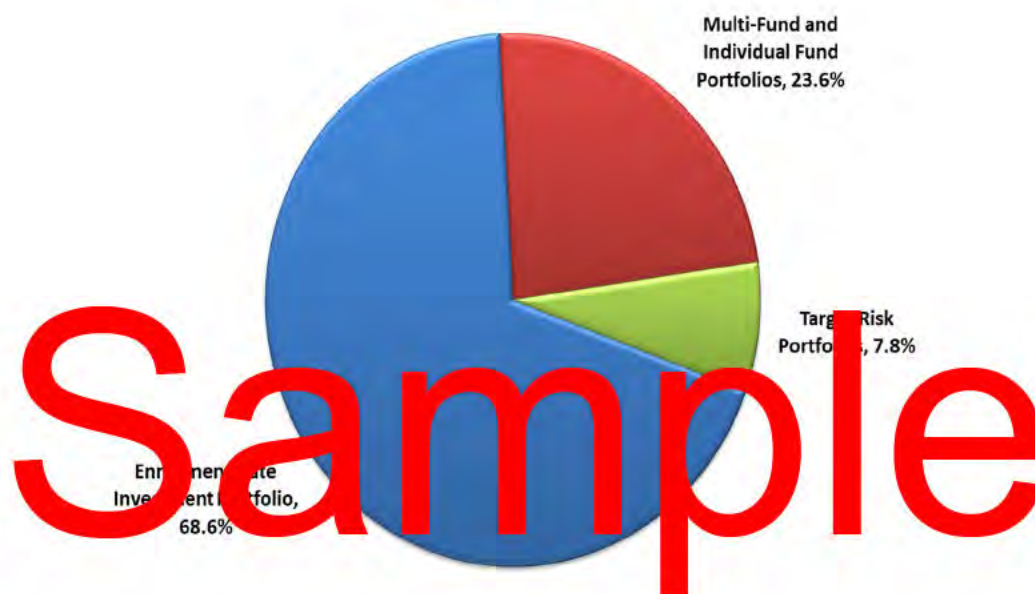
\*Data are for the entire academic year and are average total charges for full-time attendance. Tuition and fees were enrollment weighted. SOURCES: CollegeBoard, Trends in College Pricing 2019 and U.S. Department of Labor: Bureau of Labor Statistics



# Assets by Investment Option as of Q4 2020



Total Assets: \$1,753 Million



Portfolio	% of Assets	\$ Millions	Portfolio	% of Assets	\$ Millions
Enrollment Date Investment Portfolio	68.6%	\$ 585	Target Risk Portfolios	7.8%	\$ 67
Multi-Fund and Individual Fund Portfolios	23.6%	\$ 201			
<b>Multi-Fund and Individual Fund Portfolios</b>					
Large Cap U.S. Equity Index Portfolio	8.2%	\$ 70	Nuveen Inflation-Linked Portfolio	0.3%	\$ 2.45
Nuveen Strategic Income Portfolio	2.3%	\$ 20	DFA Emerging Markets Portfolio	0.3%	\$ 2.60
TIAA U.S. Small Cap Portfolio	2.2%	\$ 19	Ariel Portfolio	0.3%	\$ 2.13
Santa Barbara Dividend Growth Portfolio	2.2%	\$ 19	TIAA Large Cap Value Portfolio	0.4%	\$ 3.33
Oakmark International Portfolio	1.9%	\$ 16	Nuveen Alternative Income Portfolio	0.1%	\$ 0.81
Principal Plus Interest Portfolio	1.6%	\$ 13	TIAA Social Choice Bond Portfolio	0.04%	\$ 0.38
MetWest Total Return Bond Portfolio	1.4%	\$ 12	Nuveen Real Asset Income Portfolio	0.06%	\$ 0.50
Harding Loevner Global Eqty Portfolio	1.5%	\$ 13	TIAA Social Choice Equity Portfolio	0.06%	\$ 0.55
Harbor Capital Appreciation Portfolio	0.8%	\$ 7			

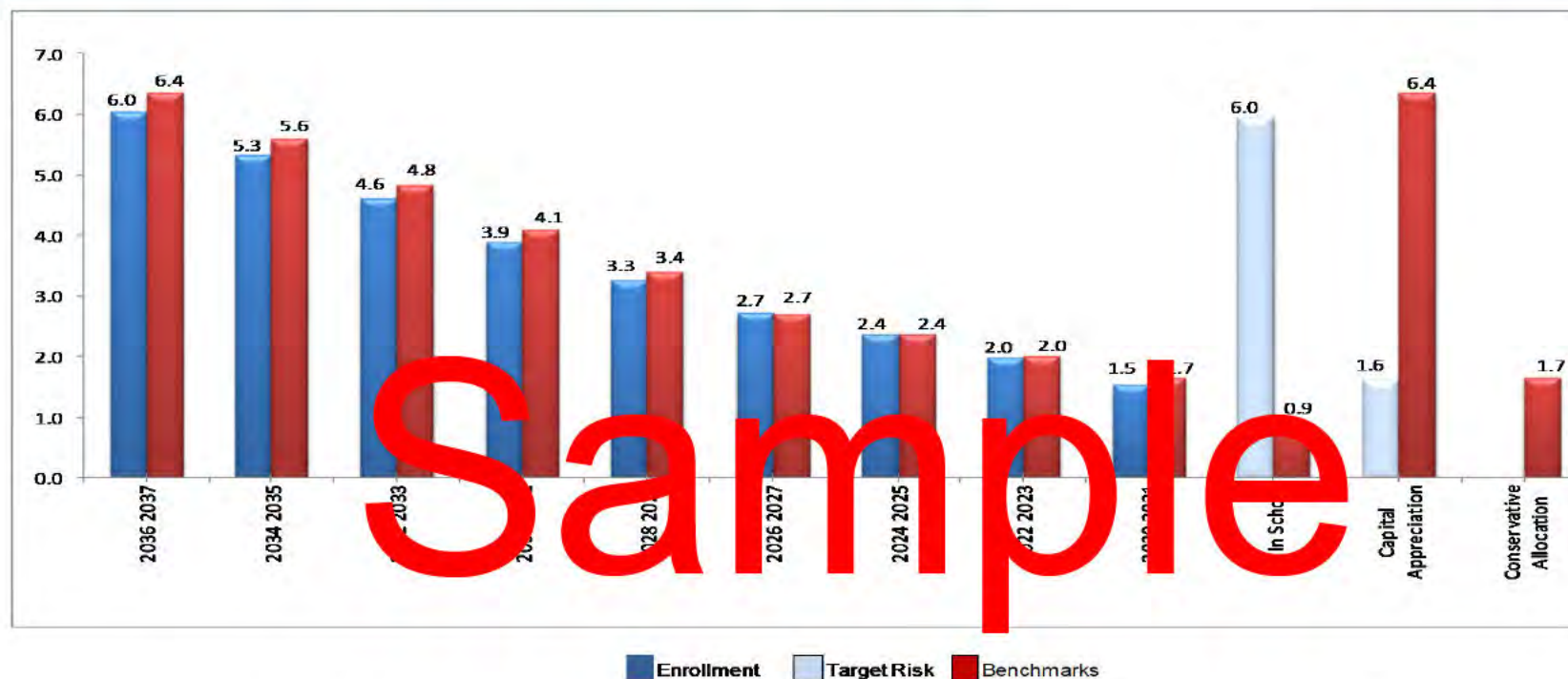
# Assets by Underlying Fund as of Q4 2020



Underlying Fund	% of Assets	\$ Millions	Underlying Fund	% of Assets	\$ Millions
T-C Bond Fund	0.2%	\$ 1	Nuveen Large Cap Core Fund R6	19.5%	\$ 126
T-C Life Guaranteed Funding Agreement MI	13.7%	\$ 88	Nuveen Strategic Income Fund R6	7.2%	\$ 47
T-C S&P 500 Index Fund	11.0%	\$ 71	Nuveen Santa Barbara Dividend Growth Fund R6	5.9%	\$ 38
T-C International Equity Index Fund	10.4%	\$ 67	Nuveen Real Estate Securities Fund R6	3.2%	\$ 21
T-C Small Cap Equity Fund	5.5%	\$ 35	Nuveen Real Asset Income Fund R6	3.2%	\$ 21
T-C Inflation-Linked Bond Fund	4.1%	\$ 27	Symphony High Yield Income Fund R6	0.7%	\$ 5
T-C Emerging Markets Equity Index Fund	2.5%	\$ 16			
T-C Emerging Markets Debt Fund	1.4%	\$ 9	<b>Others</b>		
T-C High Yield Bond Fund	0.7%	\$ 5	Oakmark International Fund I	2.5%	\$ 16
T-C Large Cap Value Fund	0.4%	\$ 3	Harding Loevner Global Equity Portfolio I	1.9%	\$ 12
T-C Social Choice Equity Fund	0.1%	\$ 0.60	Metropolitan West Total Return Bond Fund	1.9%	\$ 12
T-C Social Choice Bond Fund	0.1%	\$ 0.49	Harbor Capital Appreciation Fund Ret	1.1%	\$ 7
			Ariel Fund I	0.3%	\$ 2.2
			DFA Emerging Markets Core Equity Portfolio	0.3%	\$ 2.1



## Enrollment Year and Target Risk Portfolios vs. Composite Benchmarks – Q4 2020 Return (%)



- All age bands in the Age-Based Investment Portfolio generated positive absolute returns in Q4 and underperformed their blended benchmarks after fees.
- More aggressive age bands with larger equity allocations saw higher returns than more conservative age bands with larger fixed income allocations.
- Underperformance was driven mostly by the Nuveen Santa Barbara Dividend Growth Fund and TIAA-CREF Quant Small-Cap Equity Fund, both of which trailed by more than 200 basis points in Q4. However, this was countered by strong outperformance from several other underlying funds, most notably, the TIAA-CREF Emerging Markets Debt Fund and Nuveen Strategic Income Fund, both of which outperformed by more than 100 basis points and contributed to relative results.

# Enrollment Year Investment Portfolios vs. Composite Benchmarks (NAV Returns)\*



	Average Annual Total Return						
Investment Portfolios	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception	Inception Date
Age-Based Investment Portfolio							
2036 2037	6.04%	18.40%	18.40%	11.04%		6.55%	09/08/17
Benchmark	6.35%	23.24%	23.24%	13.94%		8.97%	
2034 2035	5.33%	17.18%	17.18%	10.31%		6.07%	09/08/17
Benchmark	5.59%	21.41%	21.41%	12.85%		8.32%	
2032 2033	4.60%	16.04%	16.04%	9.62%		5.67%	09/08/17
Benchmark	4.84%	19.60%	19.60%	11.76%		7.66%	
2030 2031	3.89%	14.13%	14.13%	8.48%		5.14%	09/08/17
Benchmark	4.09%	17.05%	17.05%	10.23%		6.83%	
2028 2029	2.25%	12.56%	12.56%	7.54%		4.66%	09/08/17
Benchmark	3.39%	20.01%	20.01%	10.00%		6.10%	
2026 2027	1.72%	8.83%	10.83%	6.50%		4.00%	09/08/17
Benchmark	2.70%	12.64%	12.64%	7.58%		5.29%	
2024 2025	2.36%	11.48%	9.48%	5.60%		3.63%	09/08/17
Benchmark	2.37%	11.13%	11.13%	6.68%		4.81%	
2022 2023	1.99%	7.72%	7.72%	4.63%		3.18%	09/08/17
Benchmark	2.01%	9.22%	9.22%	5.53%		4.22%	
2020 2021	1.99%	7.72%	7.72%	4.63%		3.18%	09/08/17
Benchmark	2.01%	9.22%	9.22%	5.53%		4.22%	
In School	1.53%	6.29%	6.29%	3.77%		2.76%	09/08/17
Benchmark	1.65%	7.70%	7.70%	4.62%		3.72%	
Target Risk Portfolios							
Capital Appreciation - A	5.95%	18.40%	18.40%	11.04%		6.55%	09/08/17
Benchmark	6.35%	23.24%	23.24%	13.94%		8.97%	
Conservative Allocation - A	1.62%	6.29%	6.29%	3.77%		2.76%	09/08/17
Benchmark	1.65%	7.70%	7.70%	4.62%		3.72%	

\*Returns are net of weighted average Underlying Fund Fees, Program Management Fees (xx bps) and State Administration Fees (xx bps).



# Multi-Fund and Individual Fund Portfolios vs. Benchmarks (NAV Returns)\*



Multi-Fund and Individual Fund Portfolios	3 Month	YTD	Average Annual Total Return				Inception Date
			1 Year	3 Year	5 Year	Since Inception	
Nuveen Alternative Income Portfolio	2.00%	15.69%	15.69%			5.11%	09/15/17
Benchmark	1.69%	14.19%	14.19%			5.02%	
TIAA Large Cap U.S. Equity Index Portfolio	8.94%	30.60%	30.60%			13.97%	09/08/17
Benchmark	9.07%	31.49%	31.49%			14.72%	
Santa Barbara Dividend Growth Portfolio	6.66%	31.21%	31.21%			14.29%	09/08/17
Benchmark	9.07%	31.49%	31.49%			14.72%	
TIAA Large Cap Value Portfolio	8.85%	28.02%	28.02%			6.51%	09/13/17
Benchmark	7.41%	26.54%	26.54%			9.88%	
Harbor Capital Appreciation Portfolio	12.29%	32.64%	32.64%			15.69%	09/13/17
Benchmark	10.62%	36.39%	36.39%			17.75%	
Ariel Portfolio	9.76%	24.43%	24.43%			7.92%	09/11/17
Benchmark	9.07%	23.56%	23.56%			7.28%	
TIAA U.S. Small Cap Portfolio	7.39%	25.11%	25.11%			7.89%	09/08/17
Benchmark	9.94%	25.11%	25.11%			11.11%	
Harding Loewner Global Equity Portfolio	8.22%	26.11%	26.11%			9.38%	09/08/17
Benchmark	8.05%	26.11%	26.11%			9.46%	
Oakmark International Portfolio	7.06%	22.43%	22.43%			4.43%	09/08/17
Benchmark	7.86%	22.43%	22.43%			4.67%	
DFA Emerging Markets Portfolio	10.34%	15.32%	15.32%			1.04%	09/12/17
Benchmark	11.84%	18.42%	18.42%			2.88%	
MetWest Total Return Bond Portfolio	0.09%	8.58%	8.58%			3.22%	09/08/17
Benchmark	0.18%	8.72%	8.72%			3.52%	
Nuveen Strategic Income Portfolio	1.02%	12.64%	12.64%			3.67%	09/08/17
Benchmark	0.18%	8.72%	8.72%			3.52%	
TIAA Inflation-Linked Portfolio	0.67%	6.73%	6.73%			1.96%	09/08/17
Benchmark	1.00%	7.72%	7.72%			2.65%	
TIAA Social Choice Equity Portfolio	8.86%	30.59%	30.59%			12.75%	09/19/17
Benchmark	9.10%	31.02%	31.02%			13.35%	
TIAA Social Choice Bond Portfolio	-0.09%	8.09%	8.09%			3.67%	10/23/17
Benchmark	0.18%	8.72%	8.72%			4.10%	
Nuveen Real Asset Income Portfolio	3.14%	22.08%	22.08%			6.28%	09/14/17
Benchmark	2.28%	19.50%	19.50%			5.73%	
Principal Plus Interest Portfolio**	0.58%	2.15%	2.15%			1.96%	09/08/17
Benchmark	0.46%	2.25%	2.25%			1.93%	

\*Returns are net of weighted average Underlying Fund Fees, Program Management Fees (xx bps) and State Administration Fees (xx bps) for A shares.

\*\*The crediting rate of xx% for the underlying Funding Agreement is guaranteed through 12/31/20.



# Asset Allocation, Fees, and Performance



Enrollment Investment Portfolio	Annual Asset Based Fees (bps)*	Nuveen Large Cap Core Fund R6	Nuveen Santa Barbara Dividend Growth Fund R6	TIAA-CREF Quant Small Cap Equity Fund I	TIAA-CREF International Equity Index Fund I	TIAA-CREF Emerging Markets Equity Index Fund I	Nuveen Real Asset Income Fund R6	Nuveen Real Estate Securities Fund R6	TIAA-CREF Bond Fund I	Nuveen Strategic Income Fund R6	TIAA Inflation-Linked Bond Fund	TIAA-CREF Emerging Markets Debt Fund I	TIAA-CREF High Yield Fund I	Nuveen Symphony High Yield Income Fund R6	TIAA Life Funding Agreement
Underlying Fund Expenses (bps)		66	65	41	6	20	81	87	30	51	26	65	36	65	N/A
2036 2037	109	35.8%	4.5%	4.5%	19.2%	4.8%	5.6%	5.6%	12.0%	4.0%	3.0%	1.0%	0.0%	0.0%	0.0%
2034 2035	108	31.4%	3.9%	3.9%	16.8%	4.2%	4.9%	4.9%	18.0%	6.0%	4.5%	1.5%	0.0%	0.0%	0.0%
2032 2033	106	26.9%	3.4%	3.4%	14.4%	3.6%	4.2%	4.2%	24.0%	8.0%	6.0%	2.0%	0.0%	0.0%	0.0%
2030 2031	101	22.4%	2.8%	2.8%	12.0%	3.0%	3.5%	3.5%	24.0%	8.0%	6.0%	2.0%	0.0%	0.0%	10.0%
2028 2029	98	17.9%	2.2%	2.2%	9.6%	2.4%	2.8%	2.8%	27.0%	7.2%	6.8%	2.3%	0.9%	0.9%	15.0%
2026 2027	93	13.4%	1.7%	1.7%	7.2%	1.8%	2.1%	2.1%	27.0%	5.4%	6.8%	2.3%	1.8%	1.8%	25.0%
2024 2025	89	11.2%	1.4%	1.4%	6.0%	1.5%	1.8%	1.8%	24.0%	3.2%	6.0%	2.0%	2.4%	2.4%	35.0%
2022 2023	89	11.2%	1.4%	1.4%	6.0%	1.5%	1.8%	1.8%	24.0%	3.2%	6.0%	2.0%	2.4%	2.4%	35.0%
2020 2021	83	9.0%	1.1%	1.1%	4.8%	1.2%	1.4%	1.4%	18.0%	1.2%	4.5%	1.5%	2.4%	2.4%	50.0%
In School	70	7.7%	0.8%	0.8%	3.6%	0.9%	1.1%	1.1%	15.0%	0.0%	3.8%	1.3%	2.5%	2.5%	60.0%

## Target Risk Portfolios

Capital Appreciation Portfolio	109	35.8%	4.5%	4.5%	19.2%	4.8%	5.6%	5.6%	12.0%	4.0%	3.0%	1.0%	0.0%	0.0%	0.0%
Conservative Allocation Portfolio		6.7%	0.8%	0.8%	3.6%	0.9%	1.1%	1.1%	15.0%	0.0%	3.8%	1.3%	2.5%	2.5%	60.0%

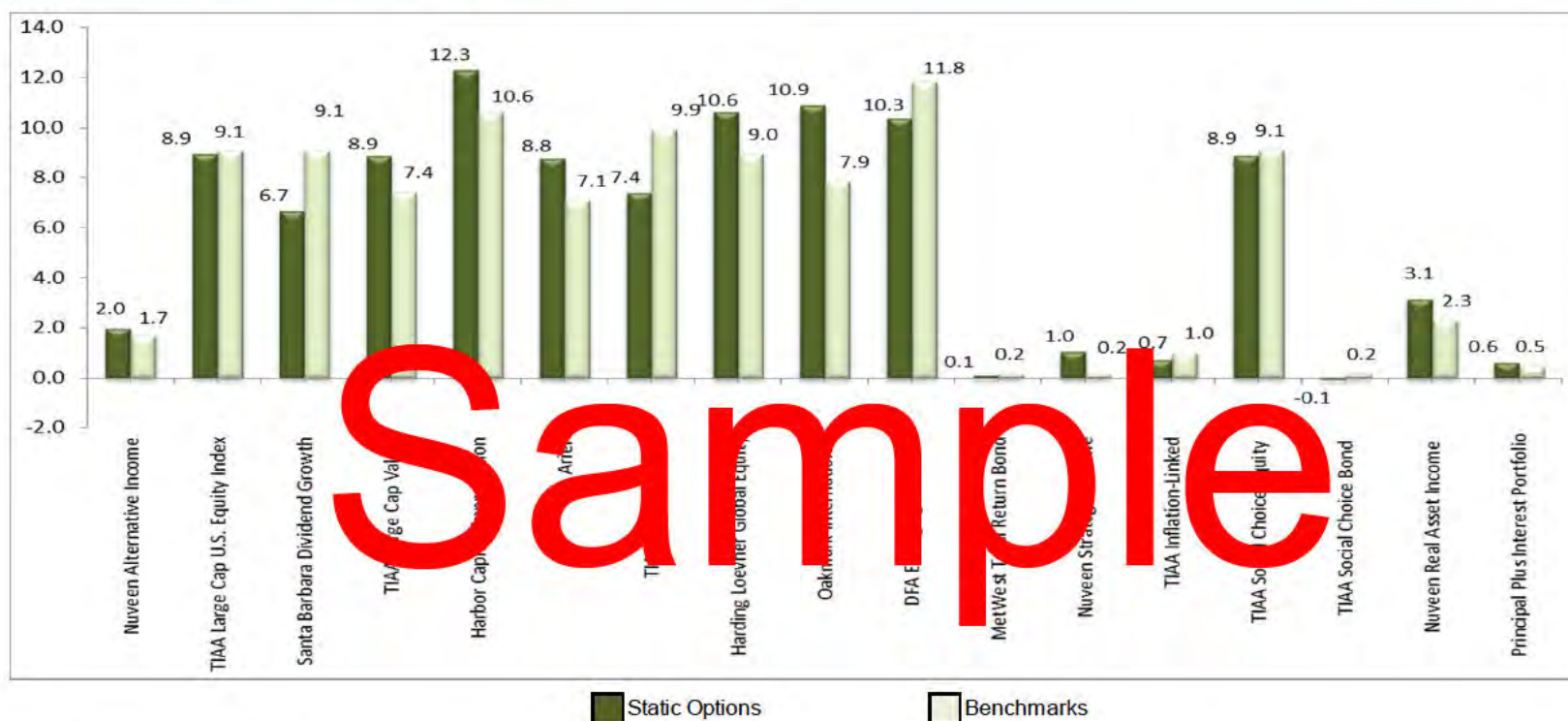
Target Risk Portfolios	Annual Asset Based Fees (bps)*	Nuveen Real Asset Income Fund R6	Nuveen Strategic Income Fund R6	Nuveen Symphony High Yield Income Fund R6
Underlying Fund Expenses (bps)		81	51	65
Nuveen Alternative Income Portfolio	128	33.33%	33.33%	33.34%

Individual Fund Portfolios	Annual Asset Based Fees (bps)*	Underlying Mutual Fund
TIAA Large Cap U.S. Equity Index Portfolio	67	TIAA-CREF S&P 500 Index Fund
Santa Barbara Dividend Growth Portfolio	127	Nuveen Santa Barbara Dividend Growth Fund
TIAA Large Cap Value Portfolio	102	TIAA-CREF Large-Cap Value Fund
Harbor Capital Appreciation Portfolio	120	Harbor Capital Appreciation Fund
Ariel Portfolio	134	Ariel Fund
TIAA U.S. Small Cap Portfolio	103	TIAA-CREF Small Cap Equity Fund
Harding Loevner Global Equity Portfolio	152	Harding Loevner Global Equity Portfolio
Oakmark International Portfolio	141	Oakmark International Fund
DFA Emerging Markets Portfolio	114	DFA Emerging Markets Core Equity Portfolio
MetWest Total Return Bond Portfolio	99	MetWest Total Return Bond Fund
Nuveen Strategic Income Portfolio	113	Nuveen Strategic Income Fund
TIAA Inflation-Linked Bond Portfolio	88	TIAA Inflation-Linked Bond Fund
TIAA Social Choice Equity Portfolio	79	TIAA-CREF Social Choice Equity Fund
TIAA Social Choice Bond Portfolio	99	TIAA-CREF Social Choice Bond Fund
Nuveen Real Asset Income Portfolio	143	Nuveen Real Asset Income Fund
Principal Plus Interest Portfolio	N/A	TIAA Life Funding Agreement

\*Returns are net of weighted average Underlying Fund Fees, Program Management Fees (xx bps) and State Administration Fees (xx bps) for A shares.



# Static Options vs Composite Benchmarks Q4 2020 Return (%)



- Nearly all Multi-Fund and Individual Fund Portfolios had positive results in Q4, with many outperforming their respective benchmarks.
- The Harbor Capital Appreciation Portfolio had the highest absolute returns in the program in Q4, gaining 12.29% over the period, beating the Russell 1000 Growth Index by 167 basis points. The Oakmark International Portfolio saw the highest relative returns in Q4, outpacing the MSCI World ex-U.S. Index by 300 basis points.
- The TIAA Social Choice Bond Portfolio had the lowest absolute returns in Q4, posting a loss of 0.09%.

# Underlying Funds vs. Benchmarks



	Average Annual Total Return							
	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Life	Fund Incept. Date
Nuveen Funds								
Nuveen Large Cap Core R6	9.35%	19.02%	19.02%	10.12%	-	-	12.61%	6/30/2016
Russell 1000 TR USD	9.04%	31.43%	31.43%	15.06%	-	-	15.27%	
Difference	0.31%	-12.40%	-12.40%	-4.94%	-	-	-2.66%	
Nuveen Real Asset Income R6	3.36%	22.82%	22.82%	9.07%	6.72%	-	7.59%	6/30/2016
BBgBarc US Corporate High Yield TR USD	2.61%	14.32%	14.32%	6.37%	6.13%	-	7.60%	
Difference	0.74%	8.50%	8.50%	2.70%	0.59%	-	-0.02%	
Nuveen Real Estate Securities R6	-0.91%	25.74%	25.74%	7.97%	6.89%	12.00%	7.66%	4/30/2013
MSCI US REIT GR USD	-0.78%	25.84%	25.84%	8.06%	7.04%	11.93%	7.57%	
Difference	-0.13%	-0.10%	-0.10%	-0.10%	-0.14%	0.07%	0.08%	
Nuveen Santa Barbara Dividend Growth R6	6.82%	31.92%	31.92%	14.99%	10.57%	12.51%	12.24%	3/25/2013
S&P 500 TR USD	6.77%	31.49%	31.49%	15.28%	11.77%	13.56%	13.76%	
Difference	-0.05%	0.44%	0.44%	-0.29%	-1.19%	-1.05%	-1.52%	
Nuveen Strategic Income R6	1.19%	8.77%	8.77%	5.00%	3.98%	-	4.01%	1/20/2015
BBgBarc US Agg Bond TR USD	0.18%	8.77%	8.77%	4.00%	3.05%	3.75%	2.79%	
Difference	1.01%	0.00%	0.00%	1.00%	0.93%	-	1.22%	
Nuveen Symphony High Yield Income R6	1.97%	13.37%	13.37%	6.11%	5.77%	-	5.05%	10/1/2014
BofAML US HY Master II TR USD	2.00%	14.40%	14.40%	6.30%	6.13%	-	5.58%	
Difference	-0.03%	-1.03%	-1.03%	-0.19%	-0.36%	-	-0.54%	
TIAA Funds								
TIAA-CREF Bond Instl	0.23%	9.35%	9.35%	4.40%	3.62%	4.36%	5.12%	7/1/1999
BBgBarc US Agg Bond TR USD	0.18%	8.72%	8.72%	4.03%	3.05%	3.75%	4.94%	
Difference	0.05%	0.64%	0.64%	0.38%	0.57%	0.62%	0.18%	
TIAA-CREF Emerging Markets Debt Instl	2.89%	17.48%	17.48%	8.00%	6.87%	-	5.97%	9/26/2014
JPM EMBI Global Diversified TR USD	1.81%	15.04%	15.04%	6.69%	6.24%	-	5.68%	
Difference	1.08%	2.44%	2.44%	1.31%	0.63%	-	0.29%	
TIAA-CREF Emerging Markets Equity Index Fund	11.76%	18.57%	18.57%	11.67%	5.66%	-	3.67%	8/31/2010
MSCI EM NR USD	11.84%	18.42%	18.42%	11.58%	5.61%	-	3.98%	
Difference	-0.08%	0.14%	0.14%	0.09%	0.05%	-	-0.31%	
TIAA-CREF High-Yield Instl	3.26%	16.21%	16.21%	6.13%	6.03%	7.33%	7.05%	3/31/2006
ICE BofAML US HY Cash Pay BB-B Constd Index	2.57%	15.09%	15.09%	6.45%	6.11%	7.40%	6.97%	
Difference	0.69%	1.13%	1.13%	-0.32%	-0.08%	-0.07%	0.08%	
TIAA-CREF Inflation Link Bond	0.80%	6.59%	6.59%	2.57%	1.93%	2.90%	3.92%	10/1/2002
BBgBarc US Trsy Infl Note 1-10Y TR USD	1.00%	6.85%	6.85%	2.79%	2.36%	2.57%	3.73%	
Difference	-0.19%	-0.26%	-0.26%	-0.22%	-0.43%	0.33%	0.19%	
TIAA-CREF International Equity Index Fund*	7.90%	21.79%	21.79%	9.82%	5.93%	5.65%	7.75%	10/1/2002
MSCI EAFE NR USD	8.17%	22.01%	22.01%	9.57%	5.67%	5.50%	7.71%	
Difference	-0.27%	-0.22%	-0.22%	0.25%	0.26%	0.14%	0.04%	

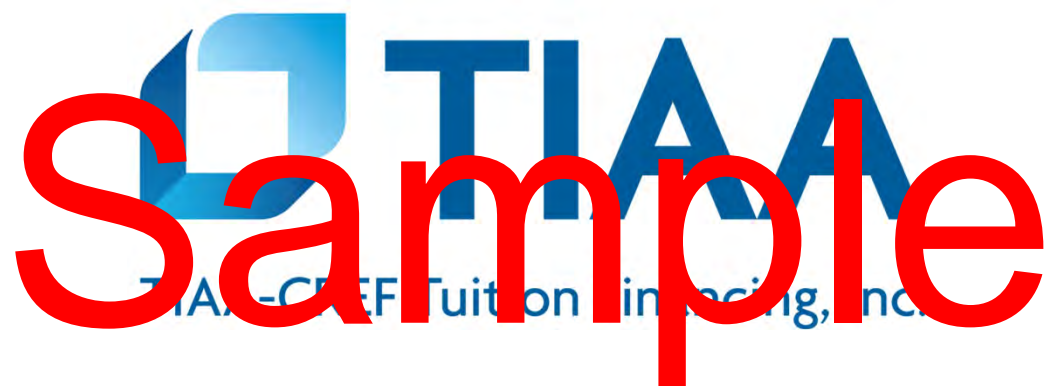


# Underlying Funds vs. Benchmarks



	Average Annual Total Return							
	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Life	Fund Incept. Date
TIAA Funds								
TIAA-CREF Large-Cap Value Instl	8.95%	28.81%	28.81%	7.58%	7.07%	10.67%	9.41%	10/1/2002
Russell 1000 Value TR USD	7.41%	26.54%	26.54%	9.69%	8.29%	11.80%	9.53%	
Difference	1.54%	2.27%	2.27%	-2.10%	-1.21%	-1.13%	-0.12%	
TIAA-CREF S&P 500 Index Instl	9.07%	31.42%	31.42%	15.22%	11.63%	13.48%	10.21%	10/1/2002
S&P 500 TR	9.07%	31.49%	31.49%	15.28%	11.70%	13.56%	10.29%	
Difference	0.00%	-0.07%	-0.07%	-0.07%	-0.06%	-0.08%	-0.08%	
TIAA-CREF Quant Small-Cap Equity Instl	7.60%	23.86%	23.86%	7.84%	8.54%	12.17%	10.67%	10/1/2002
Russell 2000 TR USD	9.94%	25.52%	25.52%	8.60%	8.23%	11.83%	10.63%	
Difference	-2.33%	-1.66%	-1.66%	-0.76%	0.32%	0.34%	0.04%	
TIAA-CREF Social Choice Bond Instl	8.96%	8.73%	8.73%	4.47%	3.55%	-	3.62%	9/21/2012
BBgBarc US Agg Bond TR USD	8.72%	8.72%	8.72%	4.03%	3.05%	-	2.69%	
Difference	0.24%	0.00%	0.00%	0.44%	0.50%		0.93%	
TIAA-CREF Social Choice Eq Instl	9.03%	31.02%	31.02%	14.50%	10.73%	12.60%	6.38%	7/1/1999
Russell 3000 TR USD	8.99%	31.02%	31.02%	14.50%	11.24%	13.42%	6.62%	
Difference	0.04%	0.00%	0.47%	-0.00%	0.52%		-0.25%	
Non-Prop Funds								
Ariel Fund Institutional	7.07%	23.56%	23.56%	7.98%	7.01%	11.25%	13.40%	12/30/2011
Russell 2500 Value TR USD	7.07%	23.56%	23.56%	6.13%	7.18%	11.25%	11.60%	
Difference	1.79%	1.51%	1.51%	1.85%	-0.17%	0.57%	1.80%	
DFA Emerging Markets Core Equity I	10.55%	16.04%	16.04%	10.33%	5.14%	3.89%	7.58%	4/5/2005
MSCI EM NR USD	11.84%	18.42%	18.42%	11.58%	5.61%	3.68%	7.45%	
Difference	-1.28%	-2.38%	-2.38%	-1.25%	-0.47%	0.21%	0.13%	
Harbor Capital Appreciation Retirement	12.45%	33.39%	33.39%	21.79%	14.68%	14.58%	19.00%	3/1/2016
Russell 1000 Growth TR USD	10.62%	36.39%	36.39%	20.50%	14.63%	15.22%	18.81%	
Difference	1.83%	-3.00%	-3.00%	1.29%	0.05%	-0.64%	0.19%	
Harding Loevner Global Equity Inst	10.78%	29.10%	29.10%	15.15%	10.32%	9.84%	9.61%	11/3/2009
MSCI ACWI NR USD	8.95%	26.60%	26.60%	12.45%	8.41%	8.79%	9.33%	
Difference	1.83%	2.50%	2.50%	2.70%	1.92%	1.05%	0.28%	
Metropolitan West Total Return Bond Fund P	0.28%	9.23%	9.23%	4.27%	3.11%	4.96%	4.08%	7/29/2011
BBgBarc US Agg Bond TR USD	0.18%	8.72%	8.72%	4.03%	3.05%	3.75%	3.16%	
Difference	0.10%	0.51%	0.51%	0.24%	0.06%	1.21%	0.92%	
Oakmark International Institutional	11.11%	24.43%	24.43%	7.45%	5.19%	7.35%	8.41%	11/30/2016
MSCI World ex USA NR USD	7.86%	22.49%	22.49%	9.34%	5.42%	5.32%	10.22%	
Difference	3.25%	1.93%	1.93%	-1.90%	-0.24%	2.04%	-1.81%	

\* For funds holding securities traded on foreign exchanges that close before the U.S. market, fair value pricing creates tracking error relative to a benchmark index that uses foreign closing prices.





# Delaware 529 Report

## 4<sup>th</sup> Quarter 2020



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Win<sup>with</sup> Purpose  
**Together**



The Delaware College Investment Plan contribution and account growth continued to outperform relative to the direct plan industry in Q4, and experienced strong growth on an absolute basis as well.

- The Delaware College Investment Plan ended Q4 with \$1.114 billion in plan assets, a 12% increase from Q4 2019 assets of \$994.64 million, and a 10% increase from Q3 2020 assets of \$1.013 billion.
- Total accounts of 59,889 were 5% higher than Q4 2019 (57,037), and 2% higher compared to Q3 2020 (58,715).
- Average plan account size at the end of Q4 was \$18,606, up % from the average of \$17,889 as of Q4 2019.
- The Delaware College Investment Plan remained competitive with industry growth rates for contributions and new accounts:

#### Growth Rates Q4 2020 over Q4 2019

	DCIP	Industry	DCIP v Industry
Total Assets	12.3%	12.2%	.8%
Total Accounts	5.4%	5.5%	-1.8%
Contributions*	23.8%	6.8%	17%
Gross New Accounts*	27.0%	4.0%	23.0%

Source: ISS Market Intelligence, Direct-sold Plans

\* 78 out of 92 total plans reported contributions and net flows; 72 plans (50 direct) out of 92 (61 direct) reported gross new accounts.



## At A Glance 4<sup>th</sup> Quarter 2020



QoQ Comparing to 2020 Q3 and YoY comparing to 2019 Q4

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## Contributions 4<sup>th</sup> Quarter 2020

### Total Contributions

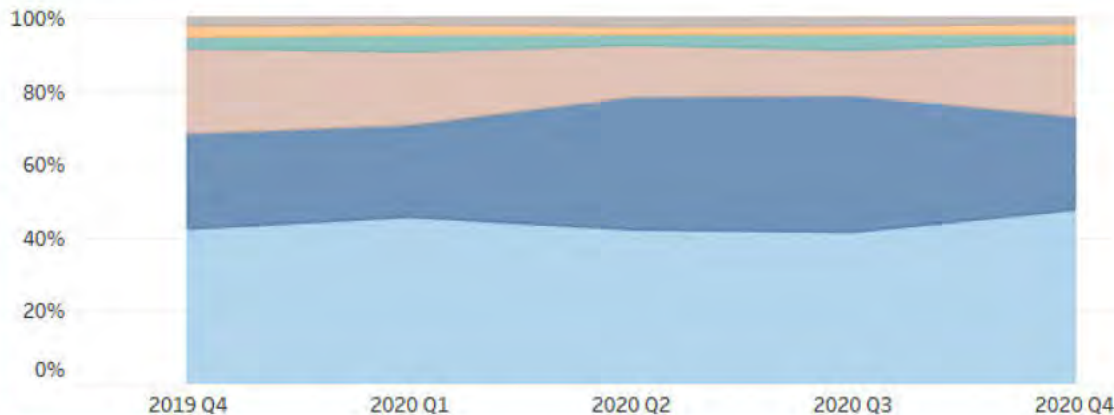
**\$35,804,127** (YTD \$115,815,572)

(▲ 52% QoQ) (▲ 12% YoY)

### Contribution Breakdown



### Contribution Breakdown Trend



### Total Contributing Accounts

**25,843** (43% of Total Accounts)

(▲ 13% QoQ) (▲ 5% YoY)

### Average Contributions

**\$1,385** / Contributing Account

(▲ 35% QoQ) (▲ 7% YoY)

### Average Contribution by Source



### First Year Contributions (YTD)

**\$22,743,901** (▼ -1% YoY)

### First Year Contributing Accounts (YTD)

**5,203**

Average \$4,371 / Contributing Account

### Re-Contributions (YTD)

**\$93,070,921** (▲ 8% YoY)

### Re-Contributing Accounts (YTD)

**29,274**

Average \$3,179 / Contributing Account



# Redemptions 4<sup>th</sup> Quarter 2020

## Redemptions

**\$18,802,579** (YTD \$93,995,258)  
( ▼ -48% QoQ) ( ▼ -1% YoY)

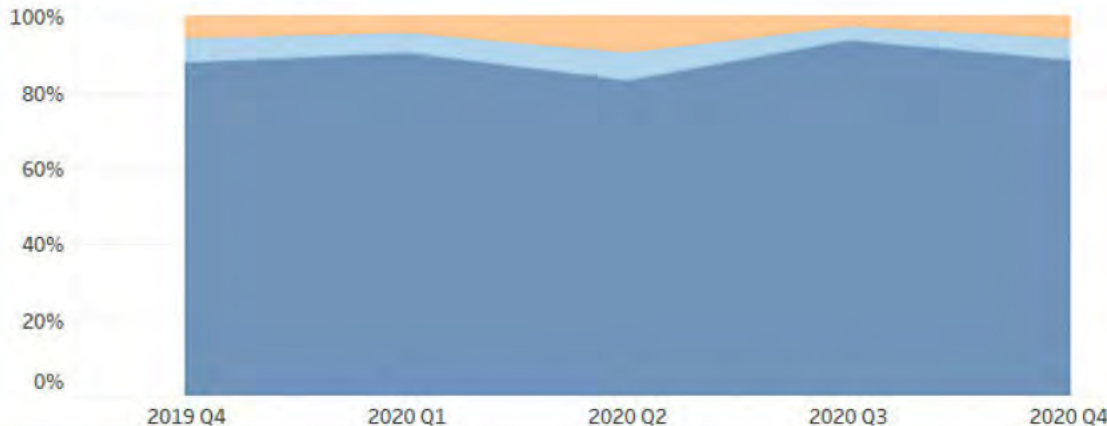
## Total Qualified Redemptions

**\$680,706,471**  
Since Apr 2000

## Redemption Breakdown



## Redemption Breakdown Trend



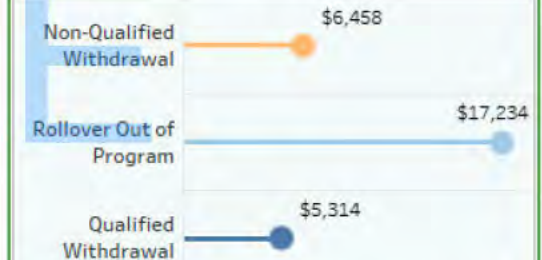
## Total Redeeming Accounts

**3,409** (6% of Total Accounts)  
( ▼ -40% QoQ) ( ▼ -1% YoY)

## Average Redemption

**\$5,516 / Redeeming Account**  
( ▼ -14% QoQ) ( ◆ 0% YoY)

## Average Redemption by Type



## Average Redemption by Bene Age Group\*



\*Does not include Beneficiaries whose age is unknown

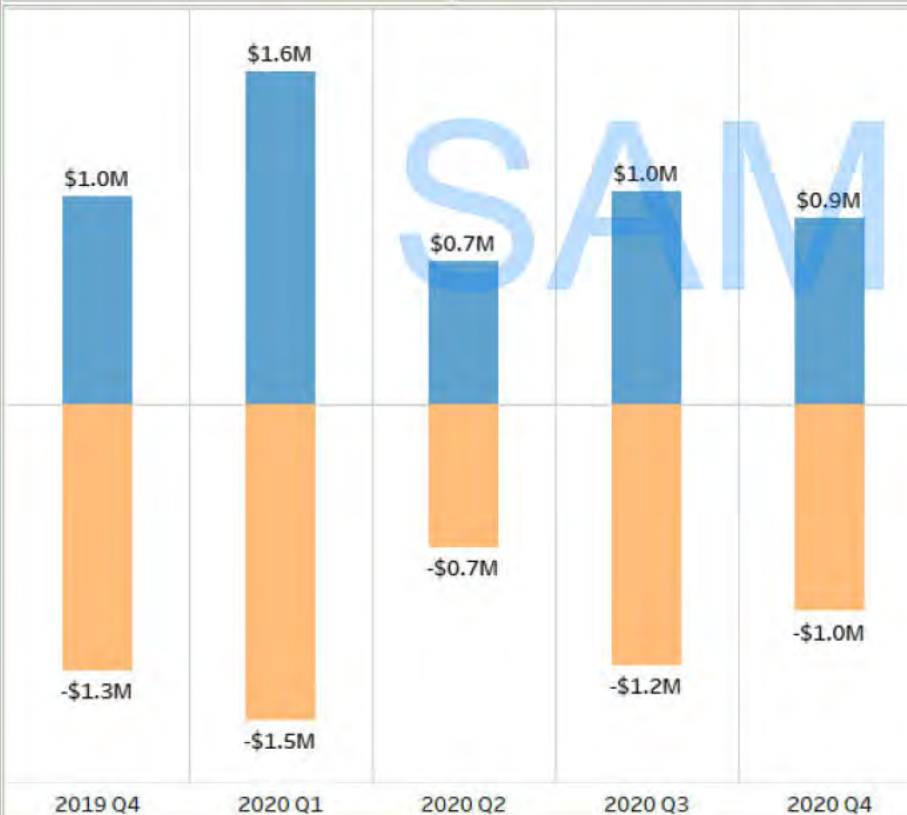
## Rollovers 4<sup>th</sup> Quarter 2020

**Rollovers In**  
**\$882,374**

2% of Total Contributions  
( ▼ -12% QoQ ) ( ▼ -10% YoY )

**Rollovers Out**  
**\$982,341**

5% of Total Redemptions  
( ▼ -21% QoQ ) ( ▼ -22% YoY )

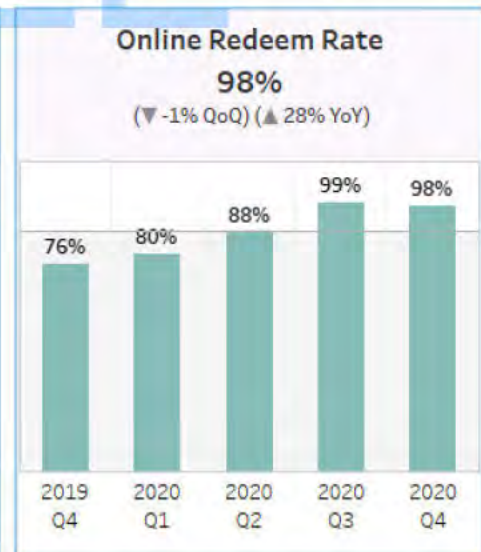
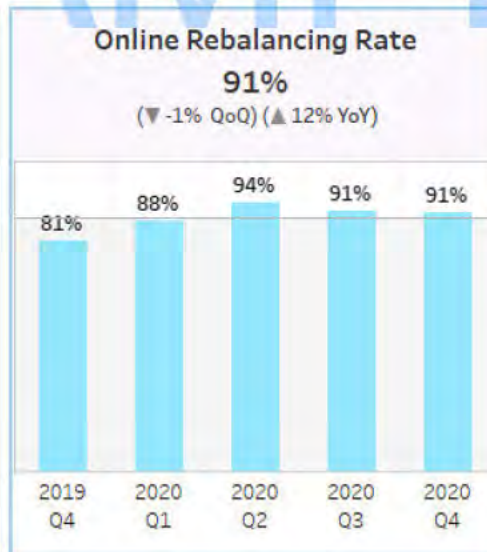
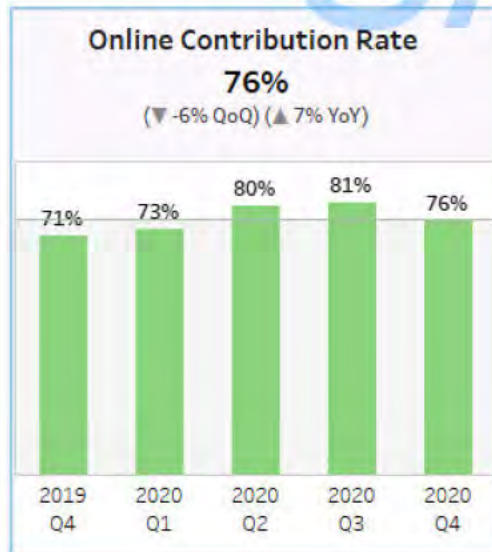
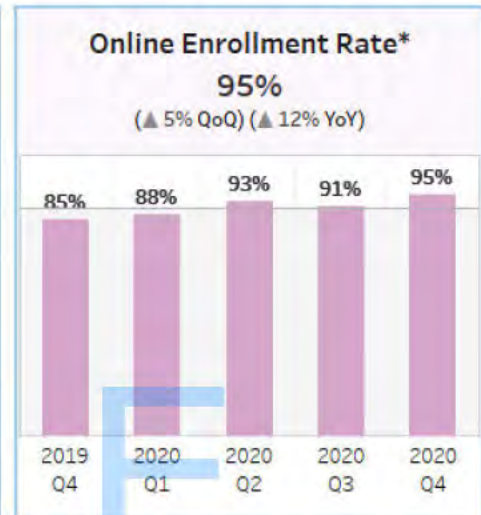


### Top 10 Outbound Rollover Destinations\*

- College America
- My529
- NextGen529
- TX College Savings Plan
- FutureScholar
- American Funds
- Charles Schwab
- NY529 Plan
- ScholarShare
- Vanguard

\*Outbound Rollover Destinations Represent Checks Only

# Online Activity 4th Quarter 2020



\*Rates are for New Accounts only.



## Assets by Portfolio 4<sup>th</sup> Quarter 2020

Assets by Portfolio		%	QoQ	YoY
ENROLLMENT YEAR PORTFOLIOS*	\$1,010M	58.91%	▲ 7%	▲ 9%
INTERNATIONAL INDEX PORTFOLIO	\$302M	17.62%	▲ 12%	▲ 1%
PRINCIPAL PLUS INTEREST PORTFOLIO	\$136M	7.95%	▲ 1%	▲ 11%
MODERATE GROWTH PORTFOLIO	\$87M	5.06%	▲ 11%	▲ 13%
S&P 500 INDEX PORTFOLIO	\$62M	3.62%	▲ 19%	▲ 54%
AGGRESSIVE GROWTH PORTFOLIO	\$49M	2.88%	▲ 20%	▲ 39%
TOTAL MARKET INDEX PORTFOLIO	\$24M	1.39%	▲ 10%	▲ 26%
MONEY MARKET PORTFOLIO	\$16M	0.92%	▼ -6%	▲ 15%
CONSERVATIVE PORTFOLIO	\$16M	0.91%	▲ 11%	▲ 23%
INTERMEDIATE TREASURY INDEX PORTFOLIO	\$7M	0.40%	▲ 26%	▲ 22%
		0.34%	▲ 12%	▲ 15%

\*Enrollment Year consists of multiple independent investment options

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## Accounts by Portfolio 4<sup>th</sup> Quarter 2020

Accounts by Portfolio		%	QoQ	YoY
ENROLLMENT YEAR PORTFOLIOS*	56K	53.82%	▲ 4%	▲ 10%
INTERNATIONAL INDEX PORTFOLIO	13K	12.97%	◆ 0%	▼ -4%
PRINCIPAL PLUS INTEREST PORTFOLIO	7K	7.16%	◆ 0%	▲ 1%
MODERATE GROWTH PORTFOLIO	7K	6.93%	▲ 3%	▲ 7%
AGGRESSIVE GROWTH PORTFOLIO	7K	6.49%	▲ 6%	▲ 20%
S&P 500 INDEX PORTFOLIO	5K	5.09%	▲ 8%	▲ 30%
TOTAL MARKET INDEX PORTFOLIO	2K	1.96%	▲ 3%	▲ 9%
INTERMEDIATE TREASURY INDEX PORTFOLIO	2K	1.71%	▲ 8%	▲ 18%
CONSERVATIVE PORTFOLIO	2K	1.47%	▲ 4%	▲ 24%
MONEY MARKET PORTFOLIO	1K	1.38%	◆ 0%	▲ 6%
		0.99%	▲ 6%	▲ 12%

\*Enrollment Year consists of multiple independent investment options

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## Net Rebalances by Portfolio 4<sup>th</sup> Quarter 2020

### Net Rebalance Amount by Portfolio

PRINCIPAL PLUS INTEREST PORTFOLIO

\$2.5M

QoQ

YoY

▼ -57%

▲ 98%

TOTAL MARKET INDEX PORTFOLIO

\$1.7M

▲ 47%

▲ 474%

S&P 500 INDEX PORTFOLIO

\$1.2M

▲ 606%

▲ 907%

CONSERVATIVE PORTFOLIO

\$1.0M

▼ -4%

▲ 199%

AGGRESSIVE GROWTH PORTFOLIO

\$0.7M

▲ 483%

▲ 694%

MODERATE GROWTH PORTFOLIO

\$0.4M

▲ 144%

▲ 240%

INTERNATIONAL INDEX PORTFOLIO

\$0.2M

▲ 230%

▲ 492%

ENROLLMENT YEAR PORTFOLIOS\*

-\$0.1M

▲ 614%

▲ 375%

▼ -116%

▼ -57%

MONEY MARKET PORTFOLIO

-\$0.8M

▼ -197%

▼ -482%

INTERMEDIATE TREASURY INDEX PORTFOLIO

-\$6.7M

▲ 22%

▼ -230%

SAMPLE

\*Enrollment Year consists of multiple independent investment options

INTERNAL USE ONLY (I)

## Call Center Data 4<sup>th</sup> Quarter 2020

**Total Calls**  
**6,927**

(▲ 3% QoQ) (▼ -61% YoY)

**Average Call Duration**  
**7.41 minutes**

(▼ -9% QoQ) (▲ 14% YoY)

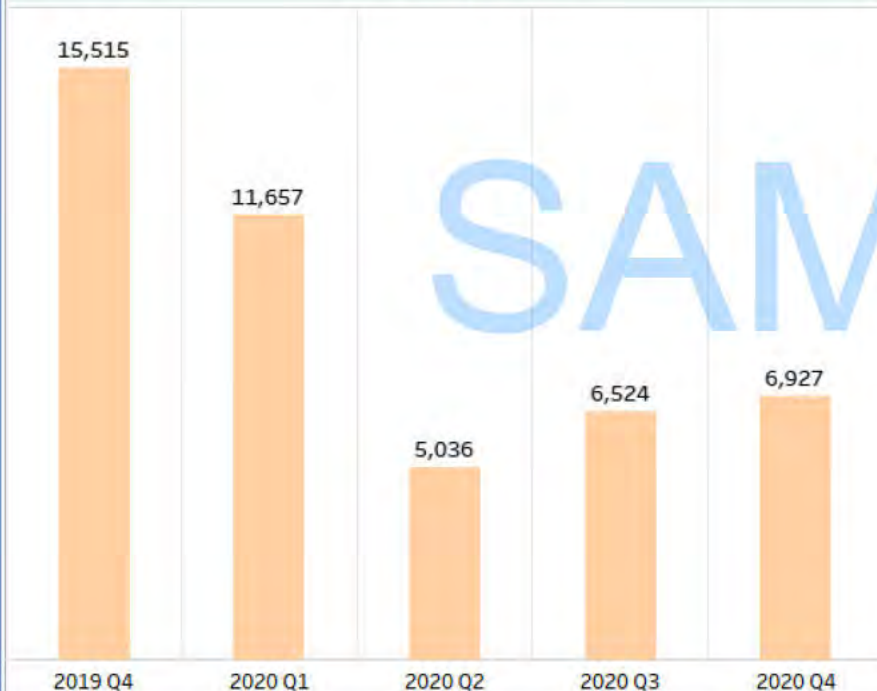
**Avg. Speed To Answer**  
**7.841 seconds**

(▼ -41% QoQ) (▼ -29% YoY)

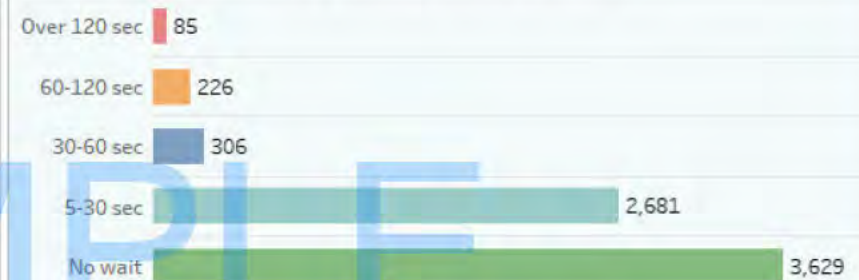
**Service Level\***  
**93.03%**

(▲ 31% QoQ) (▲ 14% YoY)

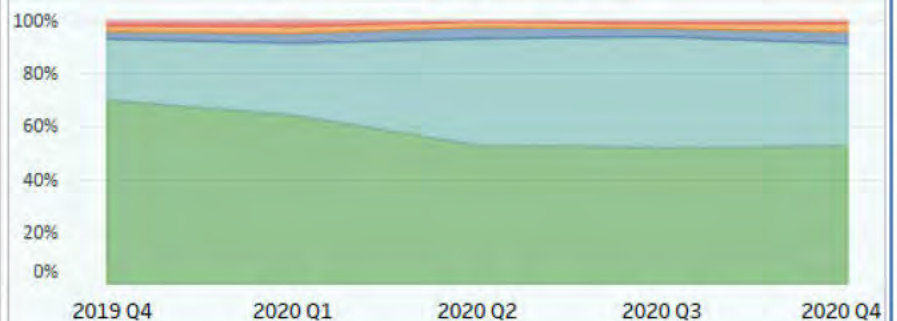
### Quarterly Calls



### Wait Times - Current Quarter



### Wait Times - Quarterly Trend



**Abandoned Calls**  
**27**

(▼ -5% QoQ) (▼ -25% YoY)

**Abandonment Rate**  
**0.3%**

(▼ -10% QoQ) (▼ -20% YoY)

**Avg. Abandon Time**  
**39.88 seconds**

(▼ -51% QoQ) (▼ -4% YoY)

\*SLA is 85% of calls answered within 30 seconds.

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## Public Website Statistics 4<sup>th</sup> Quarter 2020

### Total Website Visits\*

**50,088**

Compare to 2020 Q3 (QoQ)

-11.87%



Compare to 2019 Q4 (YoY)

31.36%



### Weekly Visits Trend



Avg. Visits Per Day  
544

Avg. Visit Duration  
1.533 (minutes)

Avg. Visits by Visitors  
1.802

### Top Pages by Page Visits

#	Page Name	Page Visits	Page Views	Unique Visitors	Avg. Page Visits Time Spent (min)
1	(P) Home	50,088	76,870	27,795	1.53
2	(P) Plans:Home	13,556	16,902	11,770	0.79
3	(P) Plans:Plan Details And Information	7,226	8,313	5,932	1.83
4	(P) Managing Your Account:Home	3,602	4,627	2,926	2.06
5	(P) HelpDesk:Home	3,556	4,244	3,060	3.18
6	(P) Help Desk:FAQs	2,552	2,923	2,293	3.16
7	(P) College Savings that will be ready when they are	2,409	2,591	2,085	0.96
8	(P) Research Investments:Home	2,232	3,197	1,921	1.10
9	(P) SaveNow:Back to School	1,347	1,476	1,202	0.45
10	(P) TheBuzz:529day	1,083	1,155	1,023	0.66

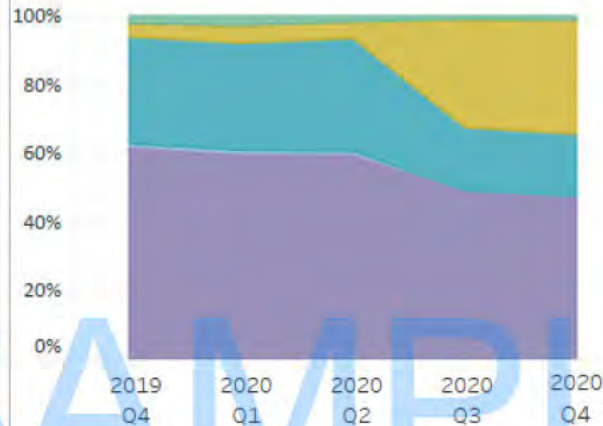
\* Visits - Total visits to the site within the reporting period. A visit occurs when a visitor comes to and navigates around the site; a visit may consist of multiple page views.

## Public Website Statistics 4<sup>th</sup> Quarter 2020

### Top Instances By Referrer Types

1	Typed/Bookmarked	36,461	47.44%	
2	Other Web Sites	25,510	33.19%	
3	Search Engines	13,837	18.00%	
4	Inside Your Site	970	1.26%	
5	Social Networks	86	0.11%	

### Quarterly Trend for Instances by Referrer Type



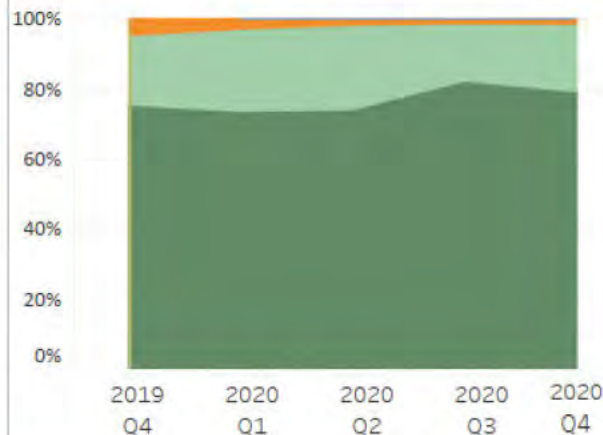
### Top Instances By Cities (In-State)

1	Wilmington	10,862	20.5%
2	Dover	10,203	19.2%
3	Newark	9,496	17.9%
4	Middletown	3,167	6.0%
5	Smyrna	3,126	5.9%
6	Milford	1,525	2.9%
7	Seaford	1,385	2.6%
8	Georgetown	1,134	2.1%
9	Elsmere	1,069	2.0%
10	Millsboro	1,003	1.9%

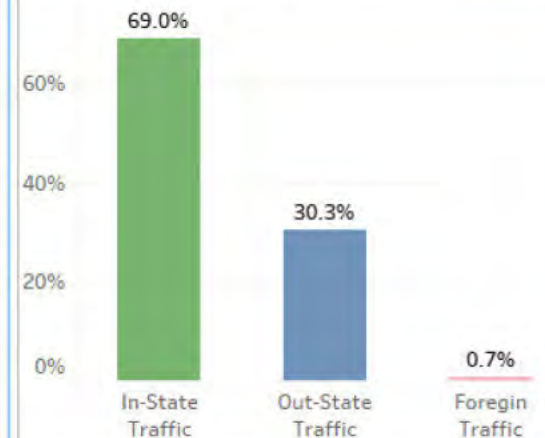
### Top Visits By Device Type\*

1	Other	39,746	79.37%	
2	Mobile Phone	9,645	19.26%	
3	Tablet	688	1.37%	
4	Media Player	1	0.00%	

### Quarterly Trend for Visits by Device Type



### Instances By Geolocation



\*Other - Any other device not captured in the defined list of devices, predominantly laptop and desktop computers.



## Customer Service Performance 4<sup>th</sup> Quarter 2020

### Delaware College Investment Plan Customer Service Performance Measurements 4Q 2020

<u>Financial Transactions</u>	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
Purchases*	123,107	120,564	123,518	44,512	47,228	52,887	144,627	511,816
New Account	109	66	48	17	22	19	58	281
Redemptions	7,334	3,464	8,776	2,256	2,463	2,971	7,690	27,264
<u>Accuracy &amp; Timeliness for TFI</u>	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
All Financial Transactions	629,621	887,031	1,962,264	612,773	675,641	725,996	2,014,410	5,493,326
Accuracy	100%	100%	98%	100%	100%	100%	100%	100%
Timeliness	99%	99%	100%	100%	99%	98%	99%	99%
<u>Confirmations and Statements</u>	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
Daily Confirmations	75,512	44,655	59,077	19,556	17,333	20,466	57,352	175,054
Accuracy	100%	100%	100%	100%	100%	100%	100%	100%
Timeliness	100%	100%	100%	100%	100%	100%	100%	100%
Statements	149,640	45,301	50,134	NA	NA	51,913	51,913	245,075
Accuracy	100%	100%	100%	NA	NA	100%	100%	100%
<u>Service Concerns</u>	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
Service Concerns - Adjustments	0	1	0	1	0	0	1	2
Timeliness	100%	100%	100%	100%	100%	100%	100%	100%
<u>Enrollment Kits</u>	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
Total Mailed	171	39	50	17	32	46	95	260
Mailed Within 5 Days	100%	100%	100%	100%	100%	100%	100%	100%
<u>System Availability</u>	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
System Performance Timeliness (Peak)	100%	100%	100%	100%	100%	100%	100%	100%
Minutes Systems Were Unavailable	0	0	0	0	0	0	0	0
System Performance Timeliness (NonPeak)	100%	100%	100%	100%	100%	100%	100%	100%
Minutes Systems Were Unavailable	0	0	0	0	0	0	0	0

\* PURCHASES INCLUDE ACH, PAYROLL, ROLLOVER IN AND CHECKS PROCESSED

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DE/CIP/2020/Q4



# Statistics and Demographics 4<sup>th</sup> Quarter 2020

## Selected Plan Statistics

# of Account Owners	30,986
# of Beneficiaries	56,021
Average Assets/Account	\$ 17,287
Average Assets/Account Owner	\$ 32,780
Average Assets/Beneficiary	\$ 18,131
Average Beneficiaries per Account Owner	1.8
Average Accounts per Beneficiary	1.0
Average Investment Options/Account	1.2

## Top Counties by Number of Account Owners

County	Total Assets (\$000's)	% of Total Plan Assets	# of Account Owners	% of Account Owners	Assets per Account Owner
New Castle	\$310,389	30.6%	8,461	27.3%	\$36,685
Sussex	\$284,823	28.0%	7,842	25.3%	\$36,320
Kent	\$82,480	8.1%	2,822	9.1%	\$29,228

## Account Owners by Gender \*

	% of Account Owners	% of Total Plan Assets	Average Assets per Owner
Male	58.7%	67.7%	\$37,268
Female	41.3%	32.3%	\$25,291

\*This is from pool of account owners that responded to this question (98.9%)

## Account Owners by State of Residency

	% of Account Owners	% of Total Plan Assets	Average Assets per Account Owner
Delaware	89.7%	87.3%	\$33,055
Out-of-State	10.3%	12.7%	\$41,703

## Top Other States by Assets

Texas	3.6%	4.9%	\$44,845
Florida	0.5%	0.8%	\$52,891
California	0.5%	0.7%	\$40,942

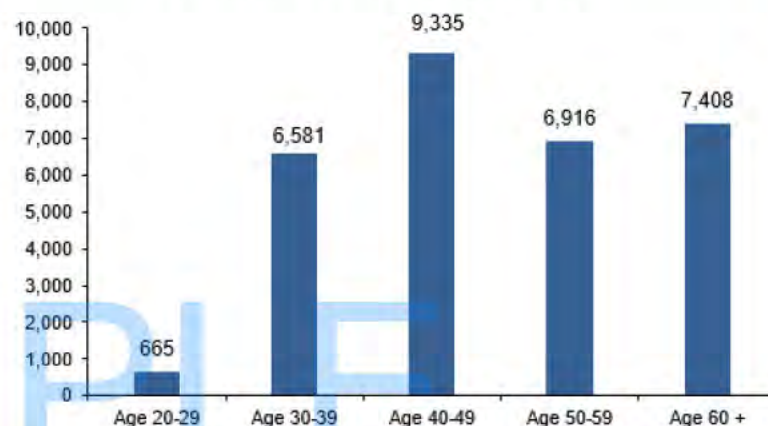
## Statistics and Demographics Owners/Bene 4<sup>th</sup> Quarter 2020

### Account Owners by Age Group\*

	% of Account Owners	% of Total Plan Assets	Average Assets per Owner
Age 20-29	2%	0%	\$6,164
Age 30-39	21%	10%	\$15,107
Age 40-49	30%	31%	\$34,571
Age 50-59	22%	27%	\$39,252
Age 60 +	24%	31%	\$42,032

\* Does not include Account Owners who are under age 20 or whose age is unknown.

### # of Account Owners by Age Group

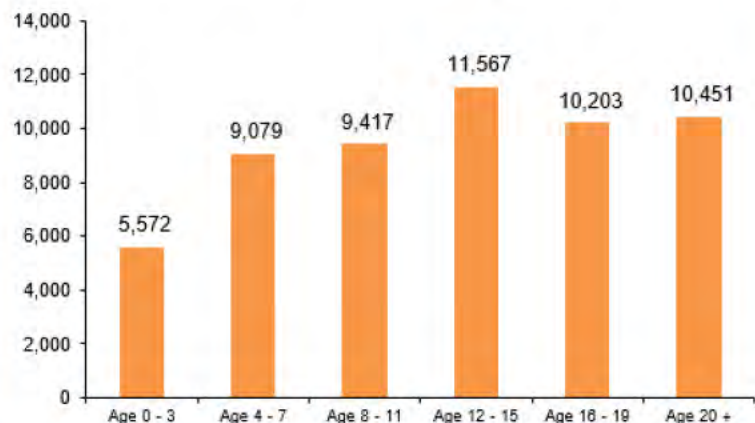


### Beneficiaries by Age Group\*

	% of Beneficiaries	% of Total Plan Assets	Average Assets per Beneficiary
Age 0 - 3	10%	4%	\$6,432
Age 4 - 7	16%	10%	\$11,410
Age 8 - 11	16%	16%	\$17,645
Age 12 - 15	21%	25%	\$21,530
Age 16 - 19	18%	28%	\$28,170
Age 20 +	19%	17%	\$16,615

\* Does not include Beneficiaries whose age is unknown

### # of Beneficiaries by Age Group





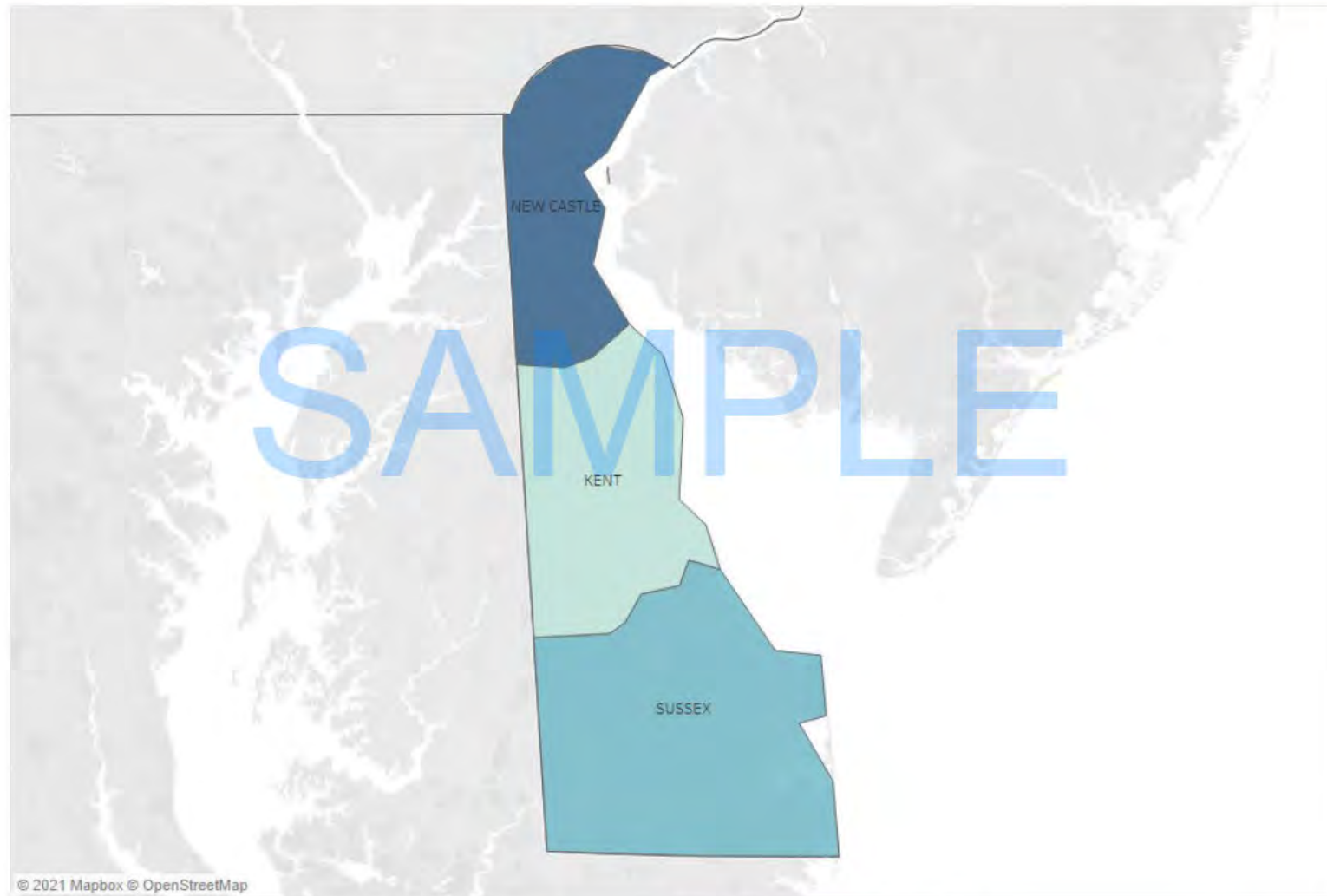
# Market Success Rate by County 4<sup>th</sup> Quarter 2020

Delaware  
As of September 30, 2020

County	Total Assets (\$000's)	% of Total Plan Assets	# of Account Owners	% of Account Owners	Assets per Account Owner	# Households	Median Household Income	# Households w/Persons Under 18 Yrs	% of Households w/Persons Under 18 Yrs	Mkt Success Rate - Households w/Persons Under 18 Yrs	Population
New Castle	\$310,389	30.56%	8461	27.31%	\$36,685	287,598	\$42,916	93,757	19.29%	9.02%	538,479
Sussex	\$284,823	28.04%	7842	25.31%	\$36,320	241,737	\$45,613	80,498	16.57%	9.74%	197,145
Kent	\$82,480	8.12%	2822	9.11%	\$29,228	98,306	\$52,688	32,343	6.66%	8.73%	162,310
<b>In-State Total</b>	<b>\$887,011</b>	<b>87.3%</b>	<b>27,788</b>	<b>89.7%</b>	<b>\$33,055</b>	<b>1,460,450</b>	<b>\$45,339</b>	<b>485,920</b>	<b>33.3%</b>	<b>5.72%</b>	
<b>Out of State Total</b>	<b>\$1,113</b>	<b>12.7%</b>	<b>3,198</b>	<b>10.3%</b>	<b>\$41,703</b>	<b>112,775,546</b>	<b>\$51,999</b>	<b>37,783,139</b>	<b>33.5%</b>	<b>0.01%</b>	
<b>Plan Total*</b>	<b>\$1,114,307</b>	<b>100.0%</b>	<b>30,986</b>	<b>100.0%</b>	<b>\$32,780</b>	<b>114,235,996</b>	<b>\$51,914</b>	<b>38,269,059</b>	<b>33.5%</b>	<b>0.08%</b>	

\* The Plan total assets and number of account owners shown may differ from official Plan totals due to the unavailability of address information for a small percentage of account owners. The Plan total market success rate is based on market success of all U.S. households. Source of # of households and median household income data: 2013 U.S. Census Bureau.

## Market Success Rate by County 4<sup>th</sup> Quarter 2020



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Mkt Success Rate - Households Under 18

17.62%  52.67%

DE/CIP/2020/Q4

## **For Institutional client use only. Not for distribution.**

**Before investing in the Delaware529 Plan, you should consider the investment objectives, risks, charges, and expenses. The information contained in this report is subject to further change and amendments over time. Some changes may occur due to the result of adjustments. For a prospectus containing this and other information, as well as a Participant Agreement and Disclosure Statement, please call 1-877-XXX-XXX or view it online at [www.com](http://www.com). Please read these documents carefully before investing.**

**TIAA-CREF Tuition Financing, Inc., Program Manager. TIAA-CREF Individual & Institutional Services, LLC, member FINRA and SIPC, distributor and underwriter for the Delaware 529 Plan.**

**Win<sup>with</sup>Purpose  
Together**



# Quarterly Marketing Report

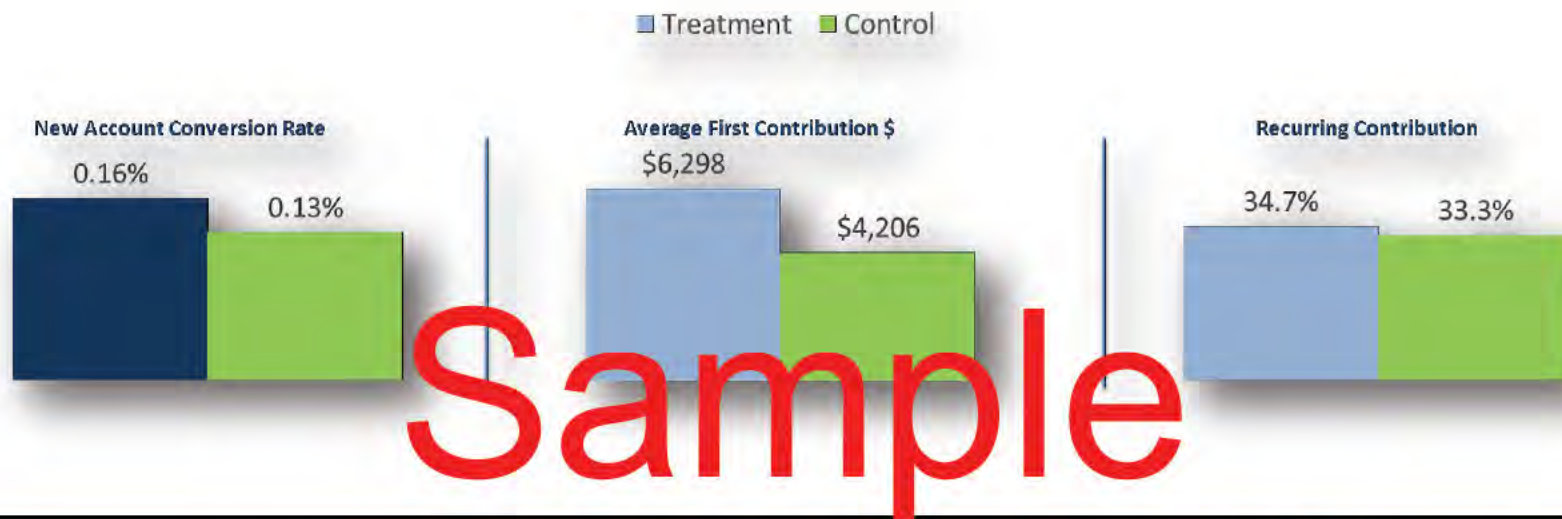
3<sup>rd</sup> Quarter, 2020

Sample

BUILT TO PERFORM.

CREATED TO SERVE.

# Results of Q3'20 Core Prospecting Programs

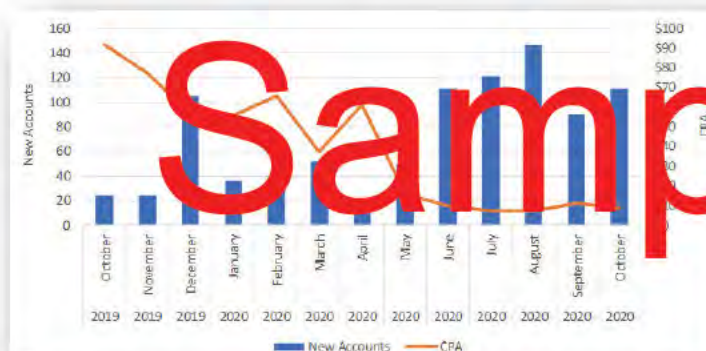


Programs	Channel	Timing	Spend	Individuals	Total Number of New Accounts	Total Number of Account Owners	Return On Spend*	Cost Per Account (CPA)	Q3 2019 CPA**
A ways on Evergreen (Q2/Q3)	Banners (D g ta Aud ence Target ng)	6/1-8/31	\$3,453	136,449	73	52	\$63	\$47	\$196
A ways on Evergreen (Q2/Q3)	Banners (Retarget ng)	6/1-8/31	\$5,155	104,049	345	265	\$153	\$15	\$25
Co ege Sav ngs	DM/EM	8/26	\$10,201	30,178	11	7	\$2	\$927***	\$42
Co ege Sav ngs	Banner (D g ta Aud ence Target ng)	9/1-9/30	\$960	42,682	6	4	\$3	\$160***	\$71
Co ege Sav ngs	Banners (Retarget ng)	9/1-9/30	\$2,479	71,780	67	49	\$13	\$37***	\$21
New Baby Tr gger	DM	7/10	\$2,181	6,478	11	7	\$5	\$199	\$506
New Baby Tr gger	DM	8/20	\$2,023	5,369	3	2	\$0	\$674***	\$506

# Results of Q3'20 Core Prospecting Programs

Programs	Channel	Timing	Spend	Individuals	Total Number of New Accounts	Total Number of Account Owners	Return On Spend*	Cost Per Account (CPA)	Q3 2019 CPA**
A ways on Evergreen (Q2/Q3)	Banners (D g ta Audience Target ng)	6/1-8/31	\$3,453	136,449	73	52	\$63	\$47	\$196
A ways on Evergreen (Q2/Q3)	Banners (Retarget ng)	6/1-8/31	\$5,155	104,049	345	265	\$153	\$15	\$25

## SEARCH TREND PERFORMANCE 12 MONTHS



## DISPLAY TREND PERFORMANCE 12 MONTHS





# Core Program: Account Owner Onboarding

Month	Number of Households	Total # of Additional Accounts Opened	New Account Contribution \$ in 60 Days	ACP Sign-Up Rate	Open Rate (EM)	Click Rate (EM)	Return on Spend
Jan	2,185	38	\$2,996,409	36.80%	44.80%	4.20%	\$15,366
Feb	1,436	23	\$1,869,490	26.10%	47.30%	4.20%	\$9,587
Mar	1,212	15	\$1,709,374	26.70%	54.60%	4.30%	\$6,643
Apr	1,300	21	\$1,257,665	28.10%	44.00%	5.40%	\$6,591
May	1,234	36	\$1,537,590	27.80%	36.60%	3.00%	\$8,398
Jun	1,138	16	\$1,228,497	31.30%	53.00%	5.20%	\$6,300
Jul	1,133	8	\$1,747,219	50.00%	47.80%	3.90%	\$8,960
Aug	1,328	19	\$1,338,578	57.90%	49.70%	4.40%	\$6,865
Sep	1,141	3	\$626,232	33.30%	44.10%	1.90%	\$3,211

Sample

**DE529**  
EDUCATION SAVINGS PLAN

Help achieve your college savings goals with Recurring Contributions.

You've made a great start, so keep the momentum going by growing your account with convenient recurring contributions. That's the easiest way to establish a regular routine, and you can change the contribution amount as needed.

When it comes to saving for college, time is one of your most valuable assets. The earlier you start—and the more you invest—the more opportunity your money has to grow with compounding earnings.

**The Advantages of Recurring Contributions**

Here are several convenient ways to make regular contributions to your Delaware 529 account.

**START NOW**

Questions? Concerns? We're here to help.  
Call xxx-xxx-xxxx or visit [DE529.com](http://DE529.com)

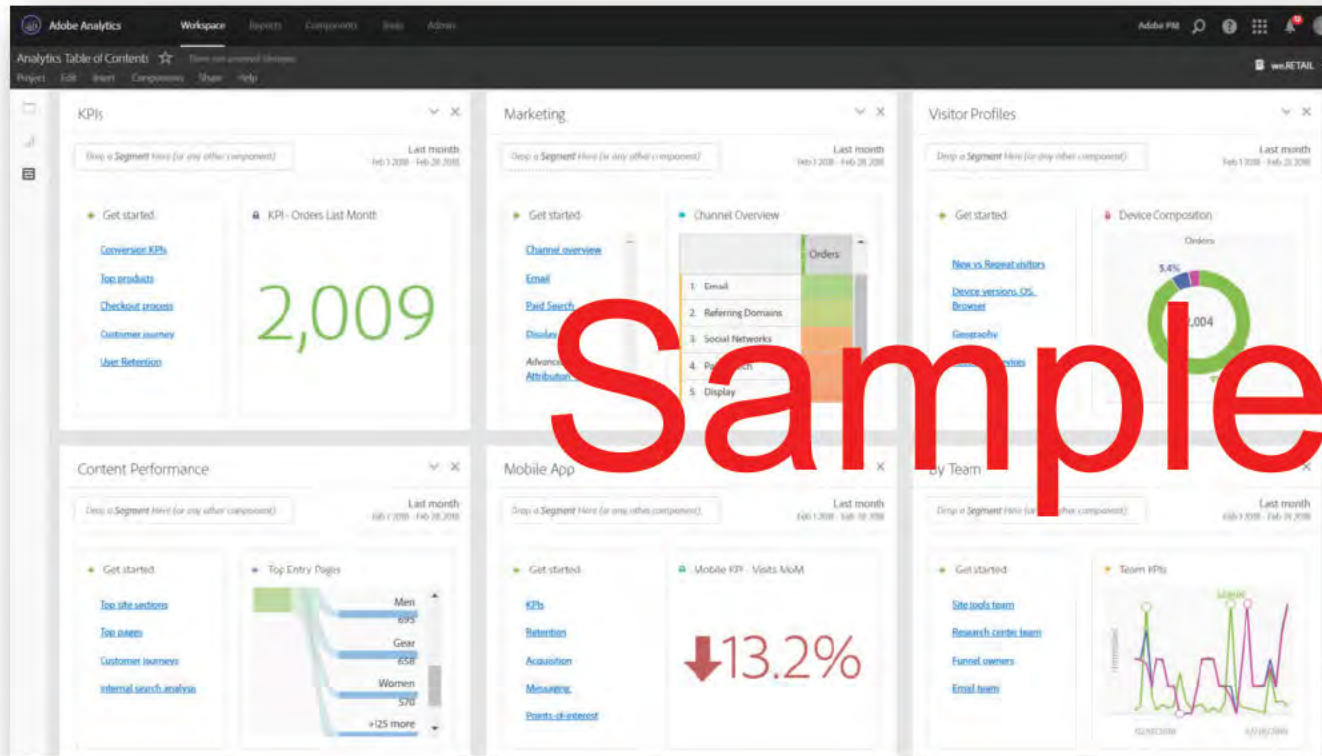
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# Web Analytics



TFI manages our 529 plans to stringent service level targets to ensure we deliver an outstanding customer experience. 2020 was an unusual year which involved adapting to changes in our business environment due to the pandemic and the transition of our plans to a new record keeper; however, allowing for those challenges, TFI met or exceeded the administrative service level targets listed below for all of our plans.

### TFI Administrative Service Level Targets

<b>Confirmations and Statements</b>	<p><b>Daily Confirmations:</b> Mail or email notification sent every time an Account Owner makes an account transaction.</p> <ul style="list-style-type: none"> <li>▪ <i>Accuracy:</i> 98% of confirmations are accurate upon distribution.</li> <li>▪ <i>Timeliness:</i> 100% of daily confirmations are mailed within 5 business days following the transaction.</li> </ul> <p>Note: Confirmations are not sent for each payroll direct deposit, recurring contributions or systematic withdrawals.</p> <p><b>Quarterly/Annual Account Statements:</b></p> <ul style="list-style-type: none"> <li>▪ 100% of statements (3 quarterly and 1 annual statement) shall be prepared and delivered via mail, posting to the online account and/or electronic notification (email) to each Account Owner within 5 business days following the transaction date or quarter end in keeping with the regulatory requirement.</li> </ul>
<b>Tax Reporting</b>	<p><b>Federal and State Tax Reports:</b></p> <ul style="list-style-type: none"> <li>▪ <i>Accuracy:</i> 100% of federal and state tax reports mailed to distributees and to the IRS and State are accurate.</li> <li>▪ <i>Timeliness:</i> 100% of IRS 1099-Q forms shall be prepared and distributed in accordance with applicable law which at this time is by January 31 of the following calendar year.</li> </ul>
<b>Enrollment Kit Processing</b>	<p><b>Enrollment Kits Mailed:</b></p> <ul style="list-style-type: none"> <li>▪ <i>Timeliness:</i> 98% of enrollment kits are mailed within 5 business days of receiving the request.</li> </ul>

<b>Call Center</b>	<p><b>Answer Time - Within 30 Seconds:</b> 85% of customer calls are answered within 30 seconds.</p> <p><b>Abandonment Rate:</b> Less than 2% of customer calls are abandoned (when a caller hangs up after 12 seconds wait time before speaking with a representative).</p>
<b>Systems</b>	<p><b>Availability:</b> All services and websites visible to Account Owners shall be available 98% of the time, 24 hours per day and 365 days per year exclusive of scheduled maintenance.</p>
<b>Reports</b>	<p><b>Quarterly Reports:</b> All agreed upon Plan statistics and metrics will be provided in quarterly reports to the State. These reports will be received by the State no later than 45 to 60 business days from the end of the quarter.</p>

DE529 Proposed Investment Lineup	TIAA-CREF Growth & Income Fund I	T. Rowe Price Large Cap Growth Fund I	Principal Equity Income Fund I	TIAA-CREF Equity Index Fund	TIAA-CREF Quant Small Cap Equity Fund I	TIAA-CREF International Equity Index Fund I	TIAA-CREF Emerging Markets Equity Index Fund I	DFA Real Estate Securities Portfolio	TIAA-CREF Core Bond Fund I	TIAA-CREF Inflation Linked Bond Fund	Vanguard High-Yield Corporate Adm	TIAA Life Funding Agreement	TIAA-CREF S&P 500 Index Fund I	Vanguard Developed Markets Index Inst'l	Vanguard Total Bond Market Index Fund Inst'l	TIAA-CREF Social Choice Equity Fund I	Nuveen ESG U.S. Aggregate Bond ETF
Fund Fee	0.41%	0.56%	0.52%	0.05%	0.42%	0.06%	0.20%	0.18%	0.30%	0.26%	0.13%	NA	0.05%	0.05%	0.04%	0.17%	0.20%
TICKER	TIGRX	TRLGX	PEIIX	TIEIX	TISEX	TCIEX	TEQLX	DFREX	TIBDX	TIILX	VWEAX	NA	TISPX	VTMNX	VBPIX	TISCX	NUBD
Asset Class	US Fund Large Blend	US Fund Large Growth	US Fund Large Value	US Fund Large Blend	US Fund Small Blend	US Fund Foreign Large Blend	US Fund Diversified Emerging Mkts	US Fund Real Estate	US Fund Intermediate Core-Plus Bond	US Fund Inflation-Protected Bond	US Fund High Yield Bond	NA	US Fund Large Blend	US Fund Foreign Large Blend	US Fund Intermediate Core Bond	US Fund Large Blend	US Fund Intermediate Core Bond
Benchmark	S&P 500 TR USD	Russell 1000 Growth TR USD	Russell 1000 Value TR USD	Russell 3000 TR USD	Russell 2000 TR USD	MSCI EAFE NR USD	MSCI EM NR USD	S&P 500 TR USD	BBgBarc US Agg Bond TR USD	BBgBarc US Trsy Infl Note 1-10Y TR USD	BBgBarc US Corporate High Yield TR USD	NA	S&P 500 TR USD	FTSE Dvlp ex US All Cap(US RIC)NR USD	BBgBarc US Agg Float Adj TR USD	Russell 3000 TR USD	BBgBarc MSCI US Agg ESG Select TR USD
Enrollment Year Investment Portfolio:																	
2038 2039 (0, 1)	19.00%	6.40%	7.60%	14.60%	2.80%	19.20%	4.80%	5.60%	14.00%	4.00%	2.00%						
2036 2037 (2, 3)	19.00%	6.40%	7.60%	14.60%	2.80%	19.20%	4.80%	5.60%	14.00%	4.00%	2.00%						
2034 2035 (4, 5)	18.30%	6.00%	7.20%	13.80%	2.60%	18.20%	4.60%	5.30%	16.80%	4.80%	2.40%						
2032 2033 (6, 7)	17.30%	5.70%	6.80%	13.10%	2.50%	17.30%	4.30%	5.00%	19.60%	5.60%	2.80%						
2030 2031 (8, 9)	16.20%	5.40%	6.40%	12.40%	2.40%	16.30%	4.10%	4.80%	22.40%	6.40%	3.20%						
2028 2029 (10, 11)	14.30%	4.80%	5.70%	10.90%	2.10%	14.40%	3.60%	4.20%	28.00%	8.00%	4.00%						
2026 2027 (12, 13)	11.40%	3.80%	4.50%	8.80%	1.70%	11.50%	2.90%	3.40%	36.40%	10.40%	5.20%						
2024 2025 (14, 15)	8.60%	2.90%	3.40%	6.60%	1.20%	8.60%	2.20%	2.50%	37.80%	10.80%	5.40%	10.00%					
2022 2023 (16, 17)	6.00%	2.00%	2.40%	4.50%	0.90%	6.00%	1.50%	1.80%	27.90%	8.00%	4.00%	35.00%					
In School (18 +)	3.60%	1.20%	1.40%	2.70%	0.50%	3.60%	0.90%	1.10%	24.50%	7.00%	3.50%	50.00%					
Multi-Fund Allocation Portfolios																	
Equity Allocation Portfolio	23.70%	8.00%	9.50%	18.30%	3.50%	24.00%	6.00%	7.00%									
Moderate Growth Allocation Portfolio	14.30%	4.80%	5.70%	10.90%	2.10%	14.40%	3.60%	4.20%	28.00%	8.00%	4.00%						
Conservative Growth Allocation Portfolio	4.80%	1.60%	1.90%	3.60%	0.70%	4.80%	1.20%	1.40%	29.80%	8.60%	4.30%	37.30%					
Single Fund Portfolios:																	
Domestic Equity																	
Large Cap Core																	
Large Cap U.S. Equity Index Portfolio													100.00%				
U.S. All Cap Equity Index Portfolio				100.00%													
Global / International Equity																	
International Equity Index Portfolio														100.00%			
Bond/Short-Term																	
U.S. Core Bond Index Portfolio															100.00%		
Principal Plus Interest Portfolio												100.00%					
Environmental, Social, and Governance																	
ESG U.S. Equity Portfolio																100.00%	
ESG U.S. Core Bond Index Portfolio																	100.00%